

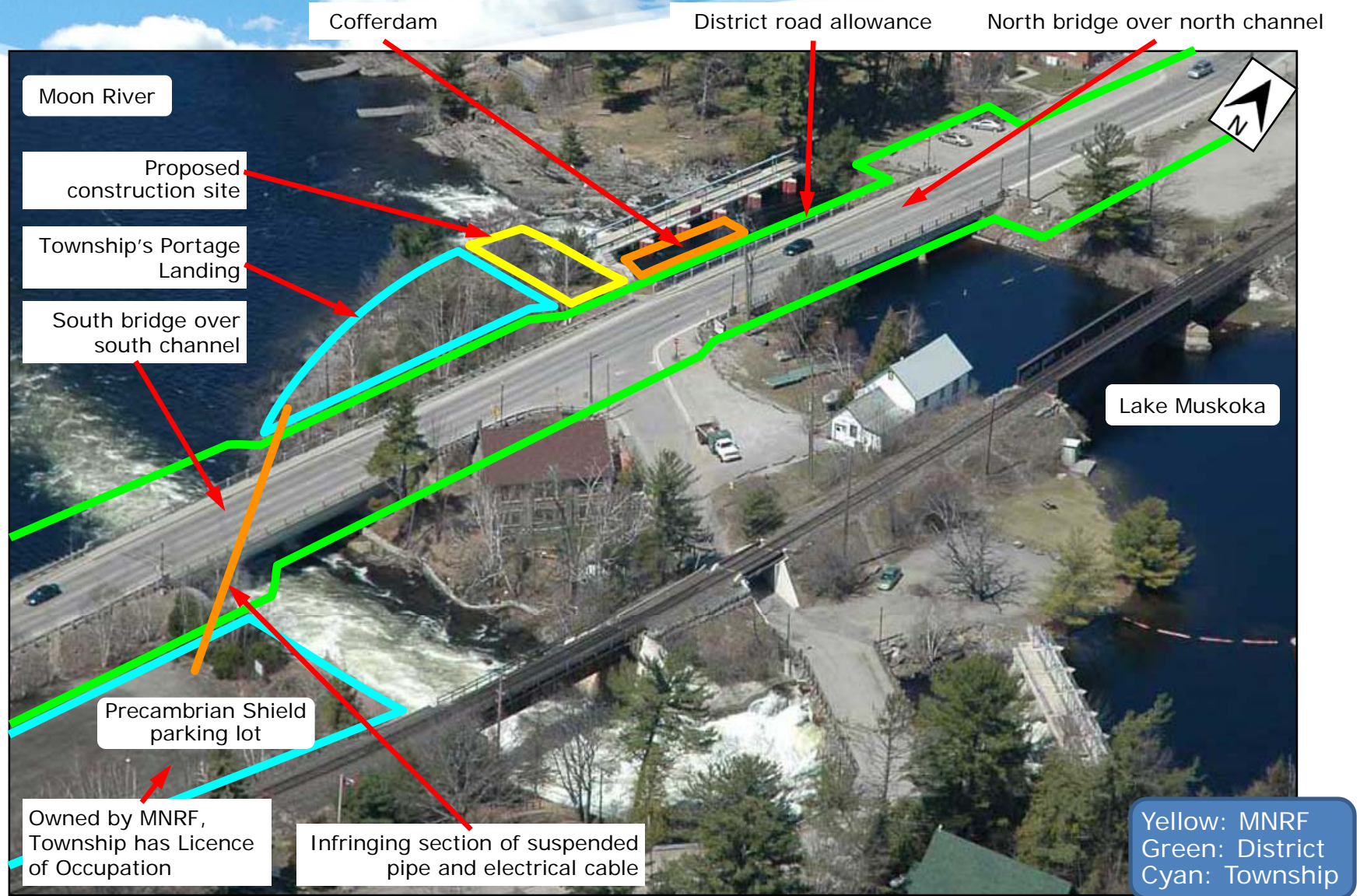
Proposed Hydro-electric Generating Station at the Bala Falls

Infringements to District property, risks to the public, liability to the District

Concerns

- **Property infringements**
 - 1) Cofferdam guy-wire rock anchors and foundation concrete
 - 2) Suspended pipe over District land and riverbed
 - 3) Damage to District fence
- **Environmental non-compliance**
 - 1) Not using four settling tanks, no way to test discharge water
 - 2) Continued to pump untreated water overflowing onto Precambrian Shield parking lot
- **Risks District would be facilitating**
 - 1) Guy-wire post could fail
 - 2) Electrical cable electrocution risk
 - 3) Highway bridge support pier foundation
 - 4) Pipe has not been pressure-tested
 - 5) Pipe could leak PCBs

Land ownership



District's public notice

- District's public notice, August 21, 2017:
 - *"We expanded beyond the standard permit conditions to ensure enhanced measures were in place for the protection of public infrastructure,"*
 - *"all permit requirements have been met"*



Swift River Energy Limited Meets Permit Conditions for North Bala Small Hydro Project

Posted on Monday August 21, 2017

For Immediate Release

Bracebridge, ON (August 21, 2017) – Swift River Energy Ltd. (SREL) have submitted all documents required to re-obtain *Roadway Entrance and Road Occupancy* permits on Muskoka Road 169 related to the North Dale Small Hydro Project. Permits were previously issued in 2014 but expired when SREL did not proceed with the project. Following close review of the relevant plans and documents, the District has confirmed that all permit requirements have been met and will be issuing the permits in accordance with the District Council's delegated approval process by end of day.

"We expanded beyond the standard permit conditions to ensure enhanced measures were in place for the protection of public infrastructure," explains Fred Jahn, the District's Commissioner of Engineering and Public Works. "The District has retained specialized engineering consultants who will assist staff to carefully monitor compliance with conditions throughout the construction process and ensure potential impacts to infrastructure are mitigated."

These additional permit conditions provide for traffic management, engineering approvals to enhance public safety, and protect District infrastructure during construction. The District has the right to revoke the permits at any time for breach or non-compliance of conditions, or after the conditions as circumstances may arise.

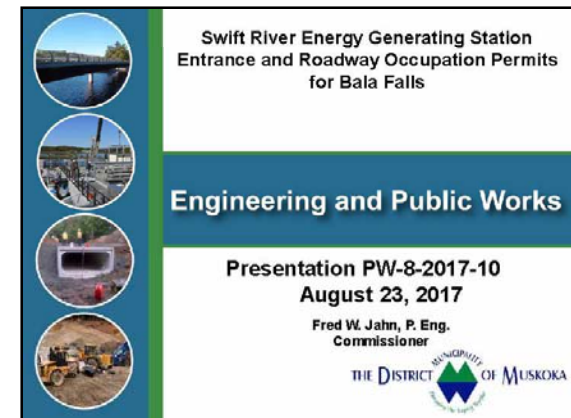
The District has been advised by SREL that construction of the project will proceed immediately.

A staff information report will be presented at the District's Engineering and Public Works Committee on Wednesday, August 23, 2017 that provides additional details on the permits and approval process. View report: <https://muskoka.ca/web.net/filespro/documents/30144>

The District has encouraged SREL to host public information sessions to provide construction plans details and answer questions from the community. All inquiries related to the project or construction plans should be directed to SREL at info@balafalls.ca or by calling 1-877-389-4099. You can also visit the SREL website for additional information: www.balafalls.ca

Commissioner's presentation

- Commissioner of Engineering and Public Works presentation, August 23, 2017:
 - “Obtain District approval for changes to engineering plans”
 - “Certified engineering drawings required for all infrastructure prior to the commencement of construction”
 - “Cofferdam: Not on District lands”



Swift River Energy Generating Station
Entrance and Roadway Occupation Permits
for Bala Falls

Engineering and Public Works

Presentation PW-8-2017-10
August 23, 2017

Fred W. Jahn, P. Eng.
Commissioner

THE DISTRICT OF MUSKOKA

The slide features a vertical column of four circular images on the left side, showing various construction and infrastructure scenes. The text is arranged in a structured layout with a green horizontal bar separating the title from the department name.

Proponent's drawing for approval

Cofferdam not on District property



Cofferdam rock anchors not on District property



Neglects to show required dewatering pipe infringement

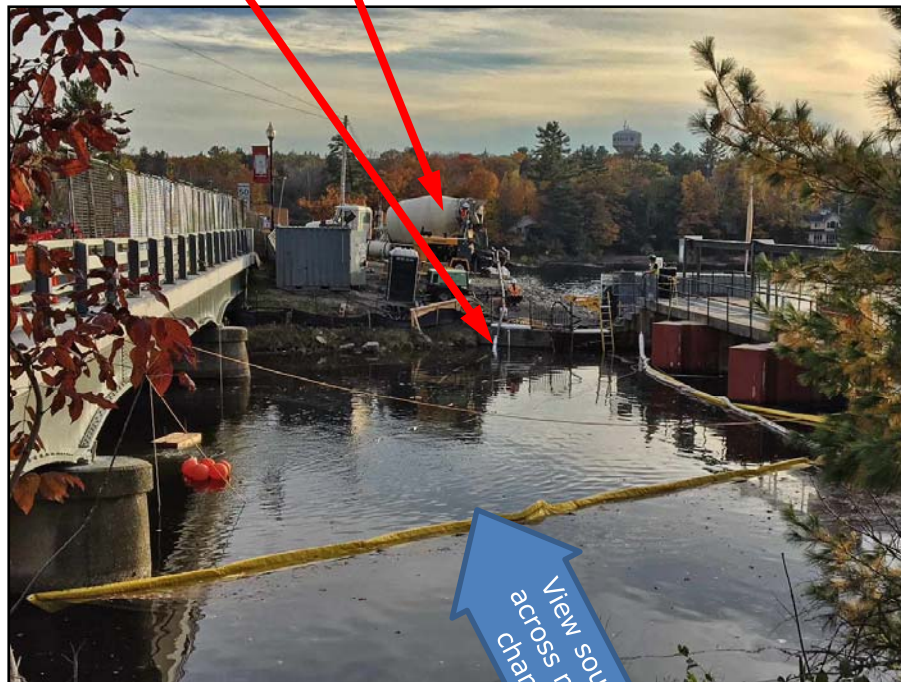
- Does not shown any infringement on District property

Cofferdam poured concrete footing

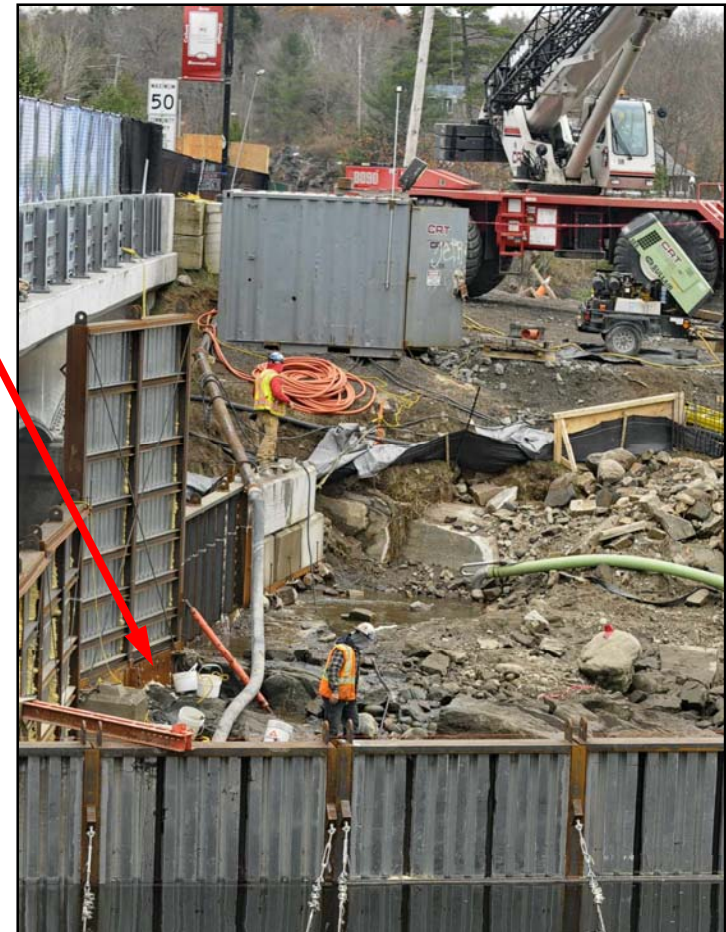
Infringement 1:
Cofferdam foundation

October 22, 2017, pumped
six cement mixers of
concrete into north channel
as foundation for cofferdam

Foundation is all on
District's side, as
proponent needs to
excavate this side



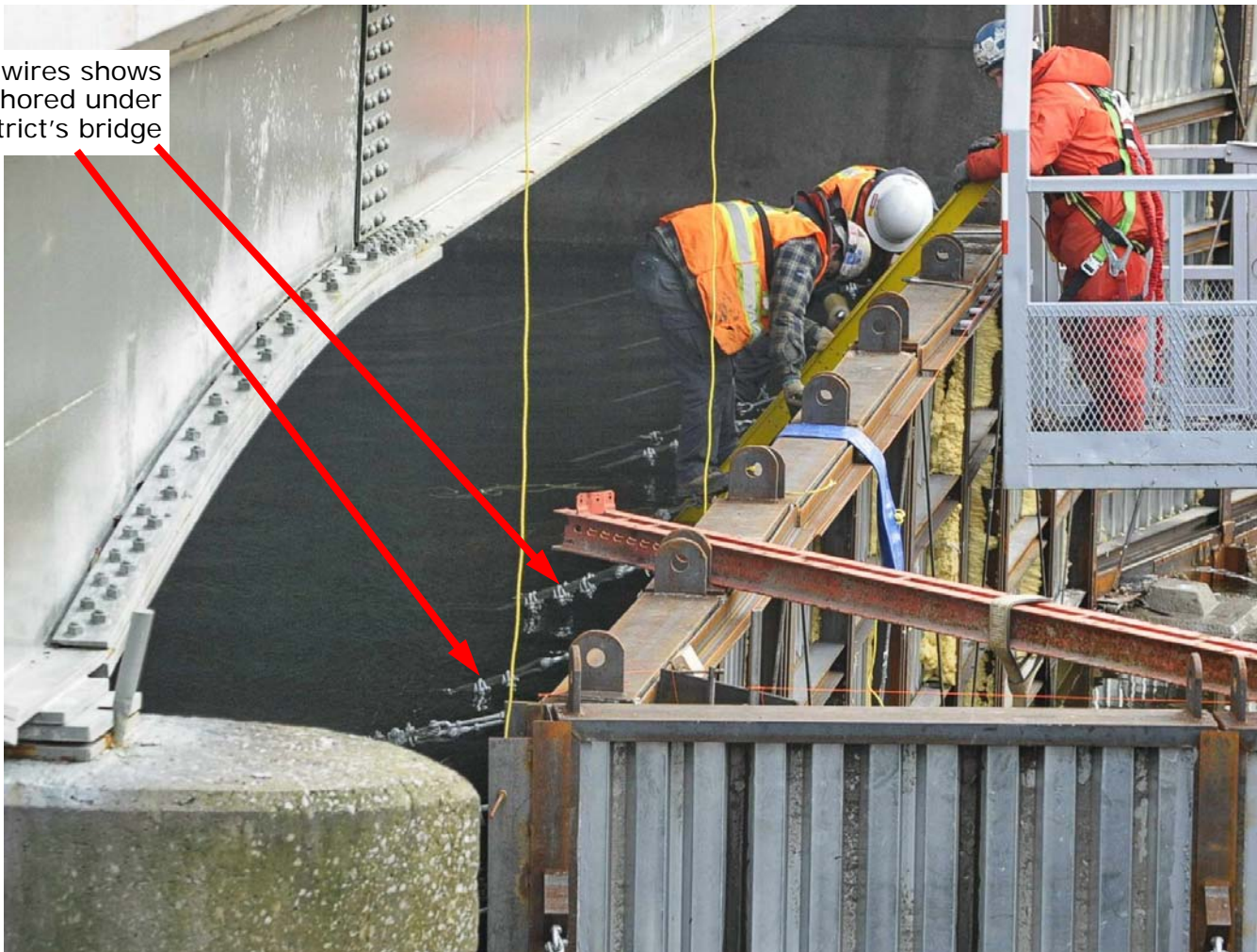
View south,
across north
channel



Cofferdam guy-wires

Infringement 2:
Cofferdam guy-wires

Angle of guy-wires shows
they are anchored under
District's bridge



Suspended pipe and electrical cable

Infringement 3: Suspended pipe and electrical cable

Suspended pipe and electrical cable is over District road allowance and riverbed



Suspended pipe and electrical cable

Infringement 3: Suspended pipe and electrical cable

Proponent's suspended pipe and electrical cable is over both the District's riverbed and road allowance

District 30' road allowance



View north, under south bridge

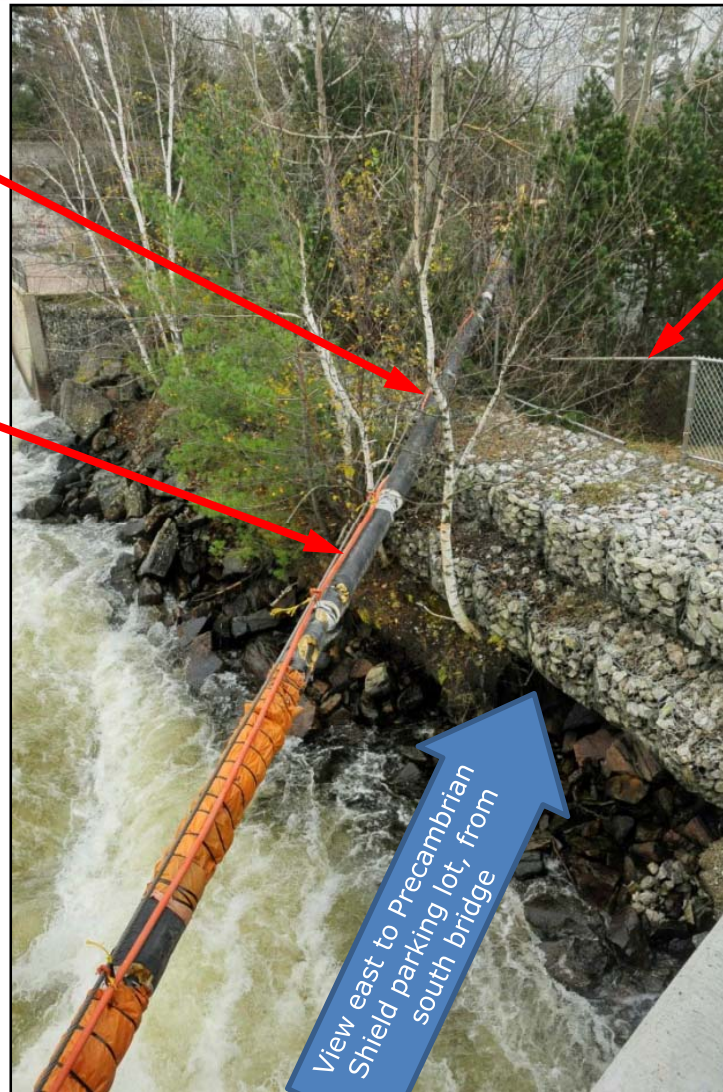
District's fence

Proponent's suspended pipe and electrical cable is over both the District's riverbed and road allowance

Electrical cable installation must be approved by Electrical Safety Authority, including grounding fence and using ground-fault circuit interrupter

Infringement 4: Damage to District's fence

Proponent appears to have dismantled part of District's fence



View east to Precambrian Shield parking lot, from south bridge

MOECC requires discharge water to be tested daily

Environmental 1: Not testing discharge water



Discharge pipe exits filter tank with no access for testing

Proponent did not provide means to obtain sample of discharge water, even though MOECC approval requires they test this discharge water daily.



Water is discharged directly to south channel

View east up south channel from south bridge

Proponent not complying with MOECC approval

Environmental 2: Non-compliant and inadequate water treatment resulted in week-long unauthorized spill

■ Proponent's Environmental Compliance Approval (ECA) from MOECC requires:

- Water pumped from proposed construction site to be treated
 - ▶ But they kept working and pumping while under-capacity system overflowed into Precambrian Shield parking lot
 - This water drains onto District land
 - ▶ Four settling tanks required
 - None last week, one currently
- Daily water testing
 - ▶ But they have no way to do this
- Reporting of unauthorized spills
 - ▶ But they did not

Also: proponent's settling tanks were on District property, and were contaminated with insecticides.

Overflowing untreated water formed icicles



Cable suspension method

Risk 1: Cable suspension method appears dangerous

- Strong wind on 200'-long suspended pipe and cable could cause support post to be pushed over, causing:
 - Injury
 - Electrocutation
 - Untreated water spill
- Design must be approved by a P. Eng.



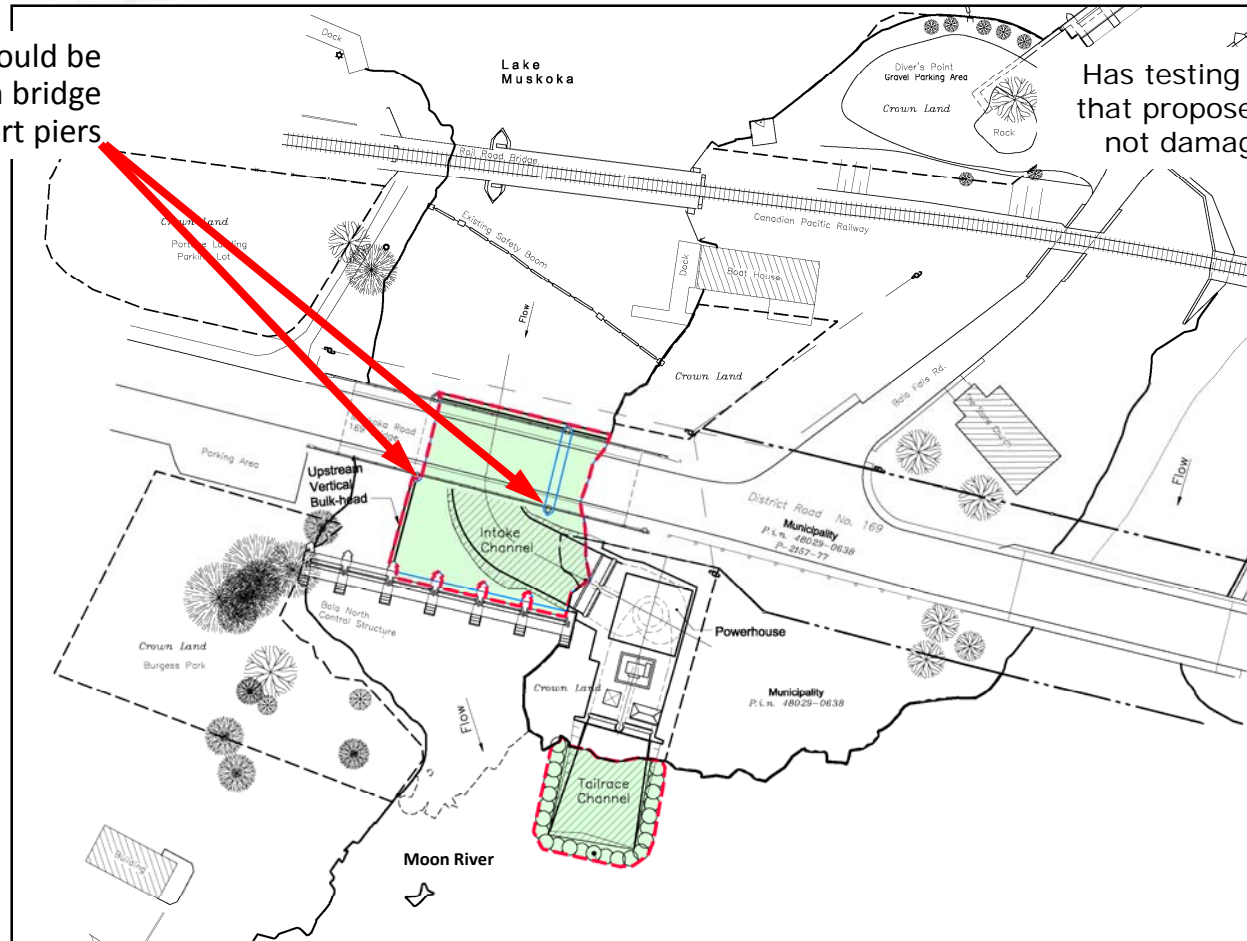
Suspended pipe cable is supported by steel post

North bridge support piers

Risk 2: Damage to north bridge

Proposed intake would be close to both north bridge support piers

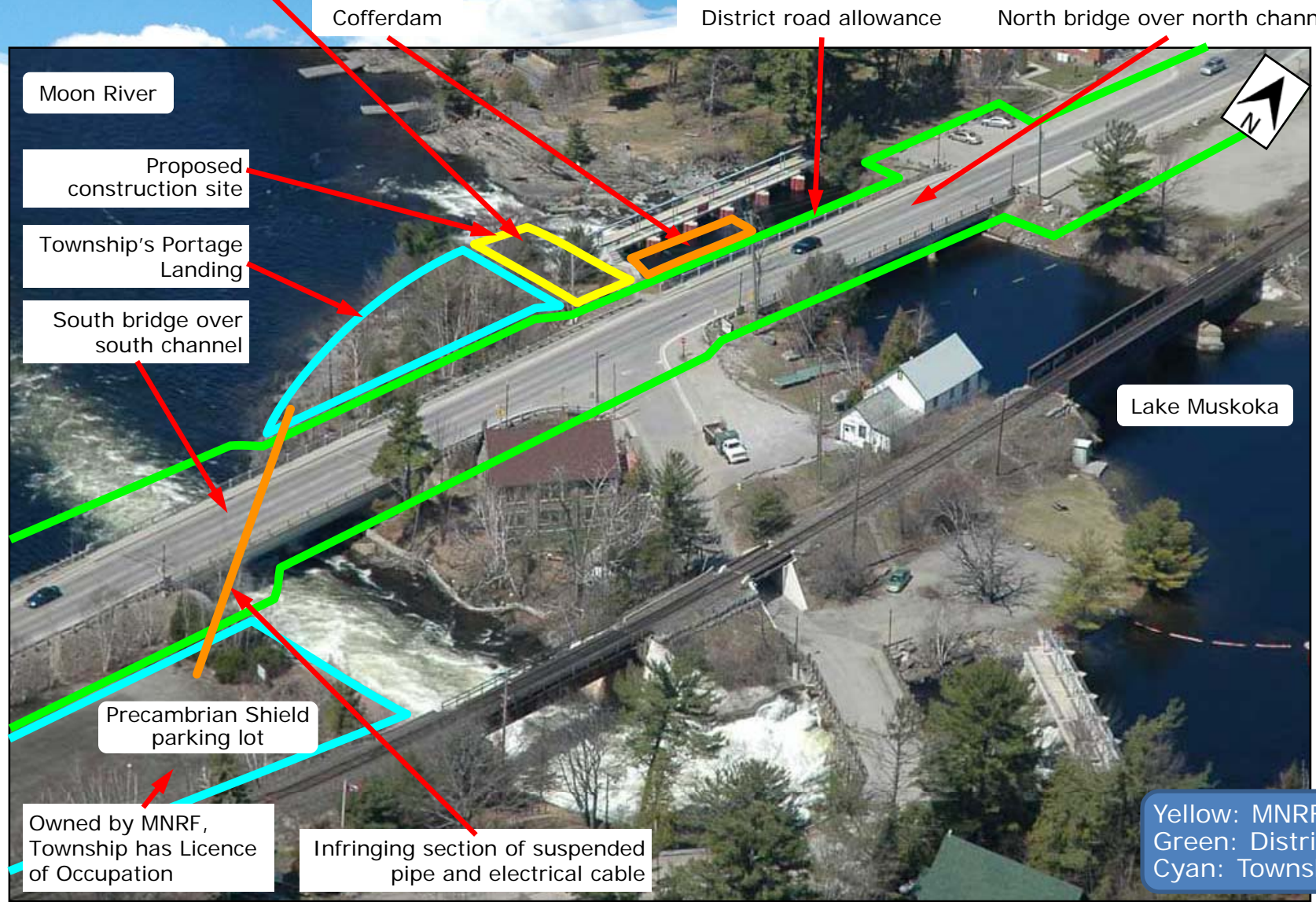
Has testing of riverbed showed that proposed excavation would not damage highway bridge



Land ownership

Electrical equipment containing PCBs could be buried

Risk 3: Pipe has not been pressure-tested, and there could be PCB contamination



Moon River

Proposed construction site

Township's Portage Landing

South bridge over south channel

Precambrian Shield parking lot

Owned by MNRF, Township has Licence of Occupation

Infringing section of suspended pipe and electrical cable

Cofferdam

District road allowance

North bridge over north channel

Lake Muskoka

Yellow: MNRF
Green: District
Cyan: Township

Requests

- Proponent has repeatedly shown they:
 - Have no regard for other's property rights
 - Only honour their commitments when forced
 - Have caused, and risk even worse, environmental damage
- We request their permits be suspended until:
 - Cofferdam foundation and rock anchors are confirmed by a surveyor to not be on District property
 - They comply with the MOECC's ECA as issued
 - Confirmed that PCBs would not be pumped through pipe
 - Pipe has been pressure-tested
 - P. Eng. sealed drawings provided for their pipe suspension method
 - Electrical cable installation approved by Electrical Safety Authority
 - Confirmed excavation would not damage north bridge piers
 - Correct drawings have been submitted to the District