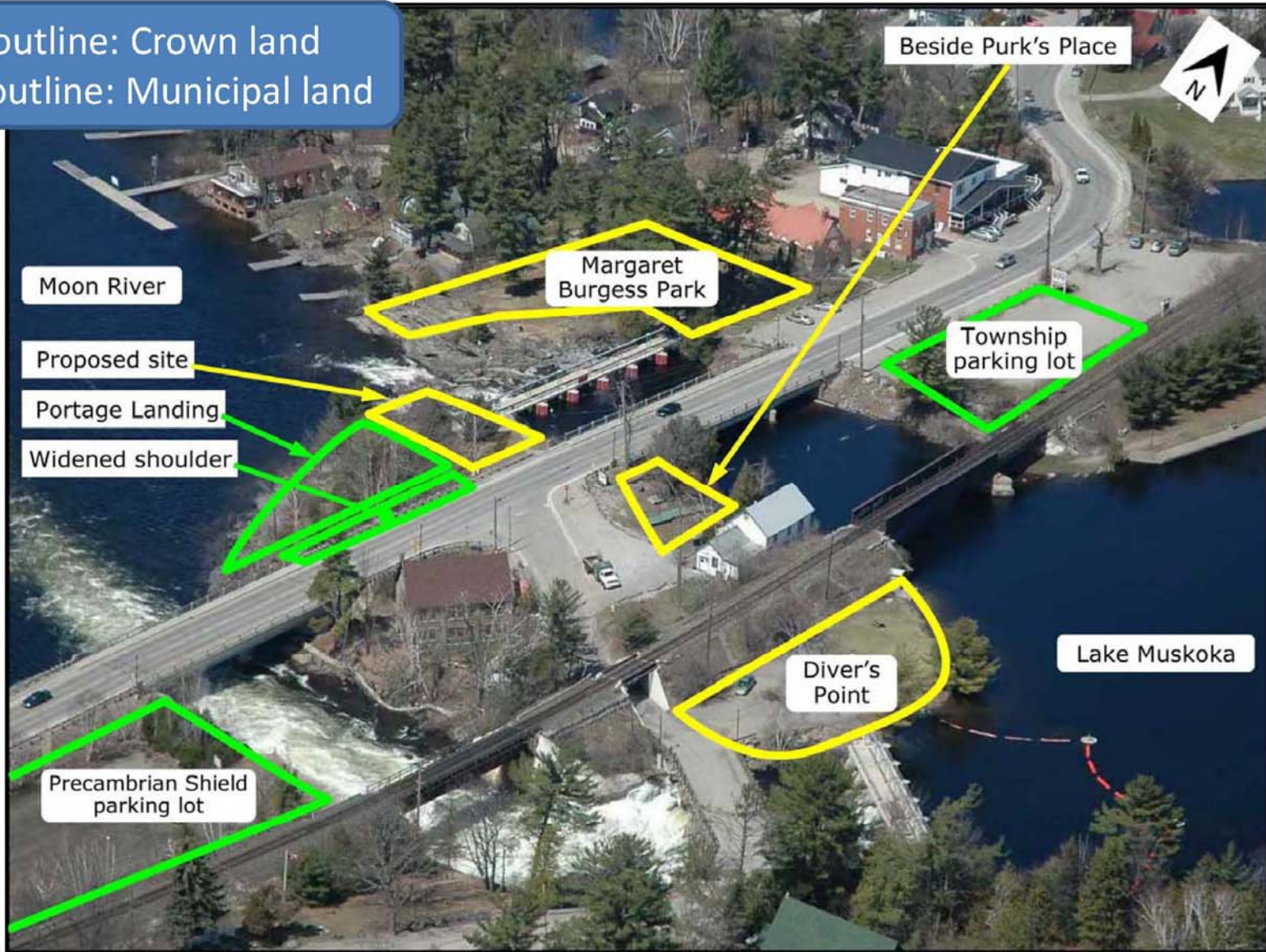


Yellow outline: Crown land
Green outline: Municipal land



Proposed Hydro-electric Generating Station at the Bala Falls

Would the proponent use Margaret Burgess Park for construction purposes

Provincial approvals still needed

- This proposed project still requires approvals from two provincial Ministries:
 - Ministry of Natural Resources
 - ▶ Phase 2, Permanent Works, Plans and Specifications approval
 - Ministry of the Environment (MOECC)
 - ▶ Handling and treatment of water to be pumped from proposed excavation
 - Public comment period on proponent's plans began May 30, 2016
 - Current deadline for comments is July 22, 2016

The screenshot displays the 'Environmental Registry' (MyEBR) website. At the top, there are navigation links for 'About the Registry', 'Search', 'How do I...?', 'MyEBR', 'FAQs', 'Links', 'Contact Us', and 'Logout'. Below these, there are tabs for 'Advanced Search', 'Basic Search', and 'Court Action'. The main content area is titled 'Instrument Proposal Notice' and contains the following information:

- Proponent:** Swift River Energy Limited operating as Swift River Limited Partnership, 2300 Yonge Street, 2300 Post Office Box Delivery 2300, Toronto Ontario, Canada M4P 1E4.
- Instrument Type:** Environmental Compliance Approval (project type: sewage) - EPA Part II.1-sewage.
- EBR Registry Number:** 012-7735.
- Ministry Reference Number:** 3984-9PW5T.
- Ministry:** Ministry of the Environment and Climate Change.
- Date Proposal loaded to the Registry:** May 30, 2016.

Below this, there is a section for 'Description of Instrument' which states: 'The proposal is for a new Environmental Compliance Approval (Industrial Sewage) for Swift River Energy Limited operating as Swift River Limited Partnership. This application is for the approval of a temporary stormwater management works to serve a 4.5 MW Hydro Electric Generating Station located at 3111 Muskoka Road, in the Township of Muskoka Lakes, District Municipality of Muskoka. The proposed stormwater management works consist of Settling Tanks and a temporary SWM pond or equivalent and will provide effluent quality, erosion and sediment control during the construction of a waterpower generation station and will discharge to Moon River and Lake Muskoka.'

There is also a 'Public Consultation' section which states: 'This proposal has been posted for a 45 day public review and comment period starting May 30, 2016. If you have any questions, or would like to submit your comments, please do so by July 14, 2016 to the individual listed under "Contact". Additionally, you may submit your comments on-line. All comments received prior to July 14, 2016 will be considered as part of the decision-making process by the Ministry if they are submitted in writing or electronically using the form provided in this notice and reference EBR Registry number 012-7735. Please Note: All comments and submissions received will become part of the public record. Comments received as part of the public participation process for this proposal will be considered by the decision maker for this proposal. Your personal information may be used in the decision making process on this proposal and it may be used to contact you if clarification of your comment is required. It may be shared (along with your comment) with other Ontario Ministries for use in the decision making process. Questions about this collection should be directed to the contact mentioned on the Proposal Notice page.'

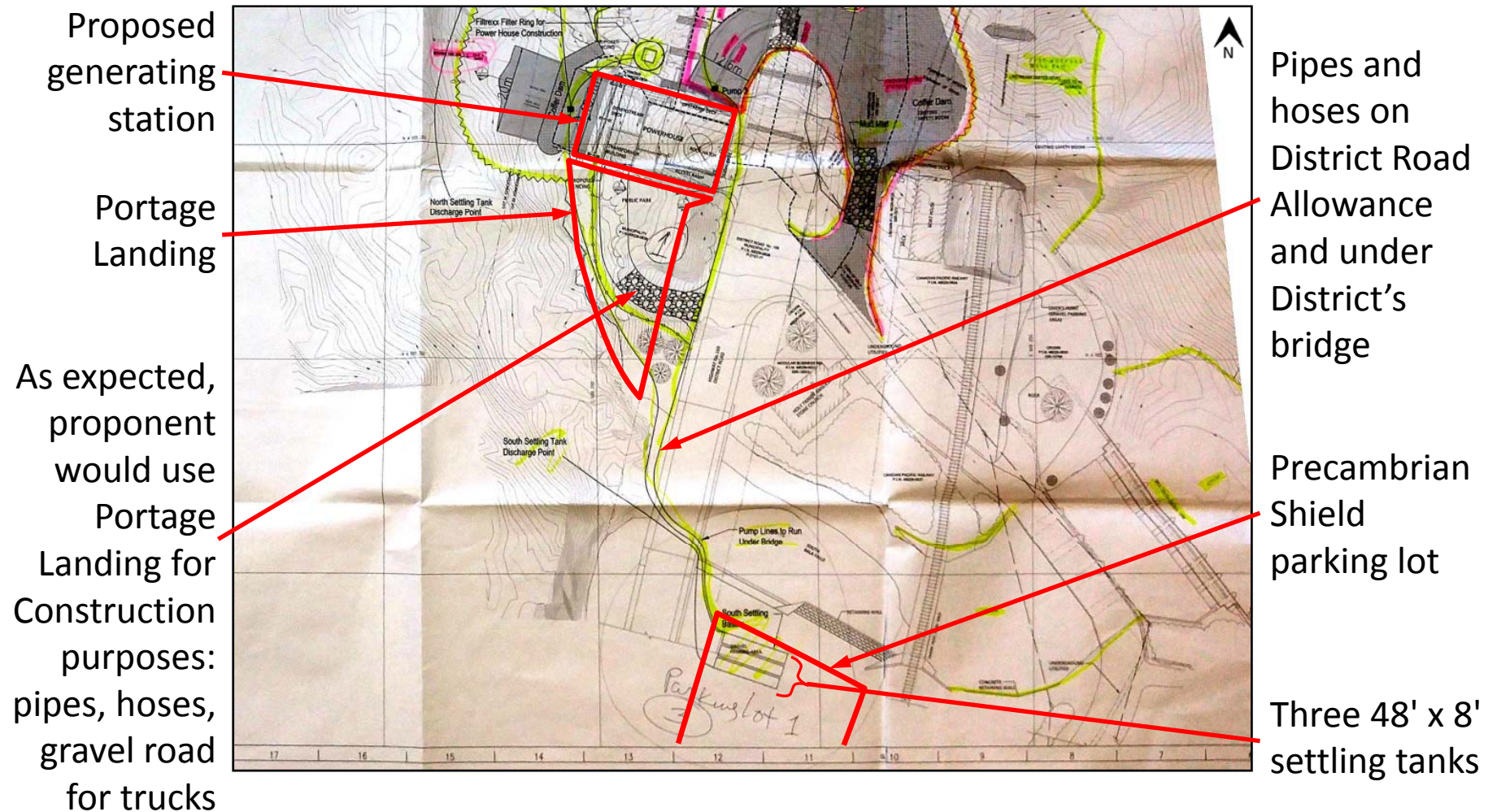
At the bottom, there is a 'Contact' section with the following information: 'Application Assessment Officer, Ministry of the Environment and Climate Change, Operations Division, Environmental Approvals Access and Service Integration Branch, Application Verification Unit, 135 St. Clair Avenue West, Floor 1, Toronto Ontario, M4V 1P5. Phone: (416) 314-8001, Fax: (416) 314-8452, Toll Free Phone: (800) 461-6290. To submit a comment online, click the submit button below: [Submit Comment button]. Location(s) Related to this Instrument: Muskoka Lakes District Municipality of Muskoka POC 1A0, Lot 33 Concession 7 Wood, District Municipality of Muskoka. TOWNSHIP OF MUSKOKA LAKES. Additional Information: The following government [http://www.ebr.gov.on.ca/ERS-WEB-External/displaynoticecontent.do?noticeId=MT4NzE08statusId=MTk0NjYw&lang=...]

Proponent's plans

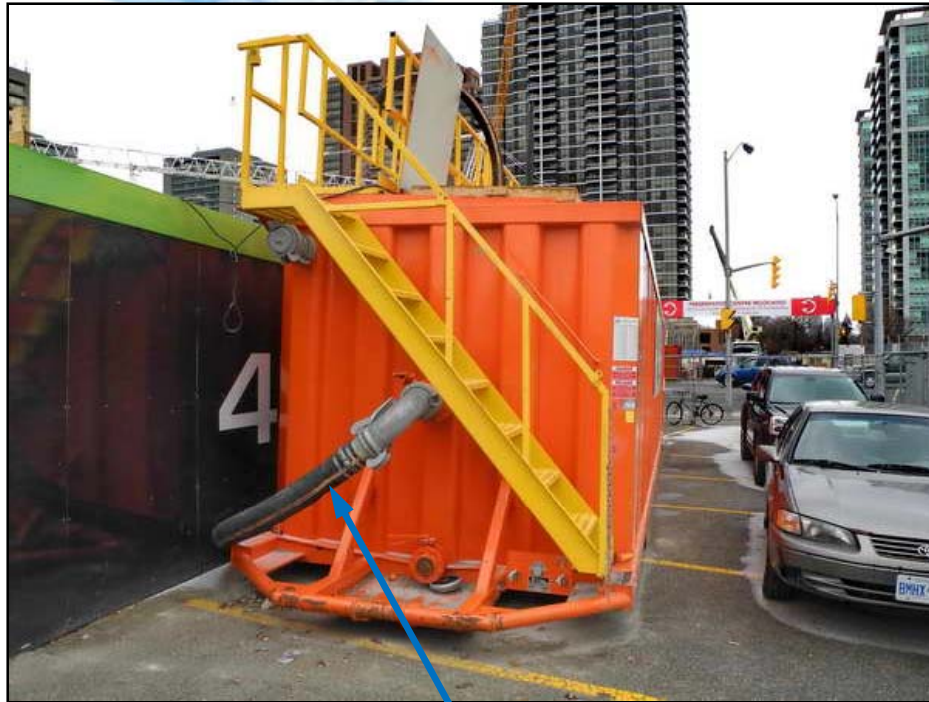
- Proponent's application included this formal drawing
 - Submitted to MOECC for approval
 - Stamped as correct by P. Eng.
 - Selected sections shown on following pages



Proponent's use of Portage Landing and Precambrian Shield parking lot for construction purposes (as expected)



Settling tank

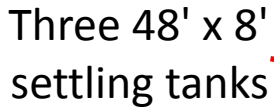


- Large steel tank to hold water pumped from a construction site
 - For storage, treatment, and testing

- As large as a full-size transport truck trailer
 - With huge pipes and hoses



Construction use of Margaret Burgess Park (unexpected)



Pipes and hoses

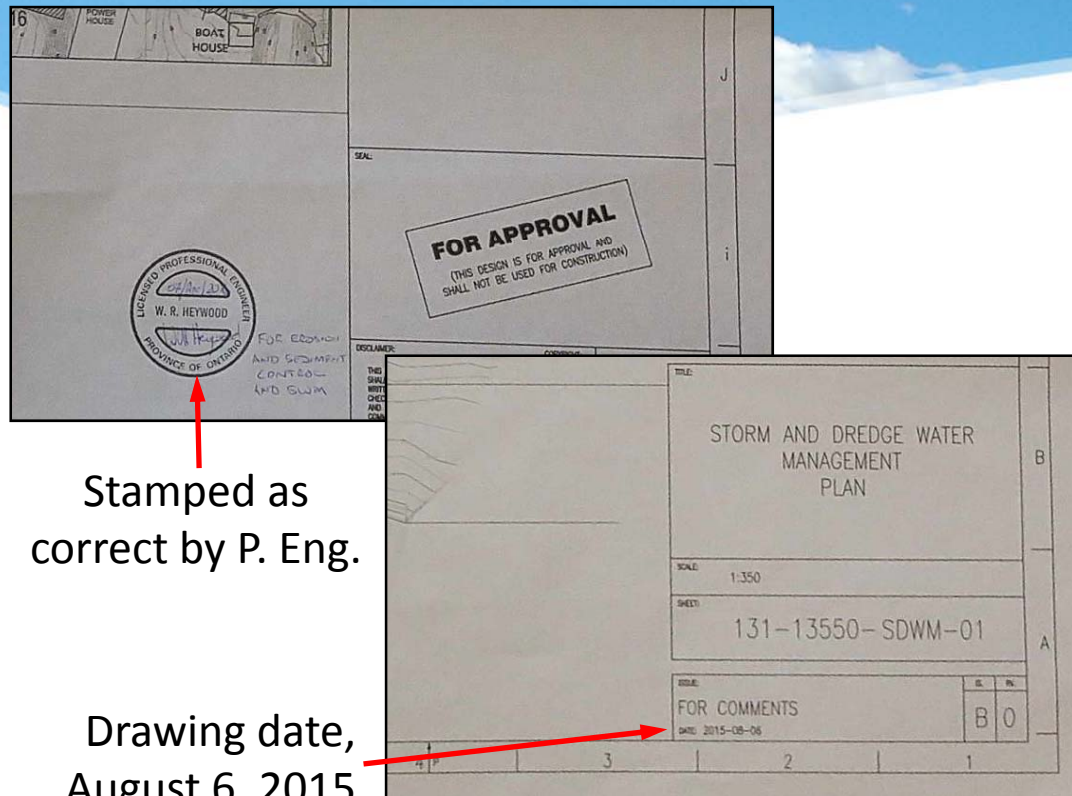
Margaret
Burgess Park

Proposed
generating
station

Bala United
Church

Gravel road
for trucks

Drawing date




Stamped as correct by P. Eng.

Drawing date, August 6, 2015

Proponent's Revised Offer to Lease April 14, 2015

April 14, 2015



Township of Muskoka Lakes
P.O. Box 129
1 Bailey Street
Port Carling, ON
POB 1J0

Attn: Bala Working Committee c/o Clayton Harris, CAO

Re: North Bala Falls Small Hydro Project – Revised Offer to Lease

SREL is thankful for the opportunity to work with the committee to discuss the possible alternative options for construction in more detail. The committee's input into our original proposal/offer was enlightening for us. In response to these discussions, SREL has amended its offer of February 26, 2015 (that was similar to that issued to the Township in October 2013 and April 2014) as outlined in this letter, to reflect the Committee's discussions. It is our hope that the Committee will provide this revised offer to the Council for consideration.

Offer to Lease Township Lands:

Requested Lands:

SREL requests that the Township of Muskoka Lakes lease/sub-lease the following parcels of land to SREL for purposes of constructing the North Bala Small Hydro Project, herein referred to as the "Project":

Parcel 1. TML's parcel of land immediately adjacent to and south of the Project site that was transferred to the Township from the District in 2011 (PIN 48029-0638);

Parcel 2. The MNRF's portion of the Shield Parking Lot (north end) (PIN 48029-0634) currently leased by TML from MNRF; and

Parcel 3. The Township's portion of the Portage Landing Parking Lot (south end) (PIN 48154-1077). Due to high volume use of this lot during tourist season, we would request the use of this lot for the period from the week after the Cranberry Festival to April 30 only.

2300 Yonge Street
Suite 801, P.O. Box 2300
Toronto, ON M4P 1E4
Phone: 1-416-864-9977

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- During the initial term or any extension of the lease, SREL agrees to:
 - not use **Margaret Burgess Park** for construction purposes or alter it in any way;
 - maintain the current public access, to **Margaret Burgess Park**; and
 - insure and indemnify the Township** for the work conducted on these lands by SREL and/or its agents.

What are the provisions of the lease

- Mayor and Clerk were authorized to execute the lease at the Special Township Council meeting, January 26, 2016
 - Agenda included a “*Summary of Lease Terms*”

10) SREL shall not use Margaret Burgess Park (the “**Park**”) for construction purposes or alter it in any way. Current public access to the Park shall be maintained.

Item 10)

SCHEDULE “B”

Attached to and forming part of By-law Number 2016-007

Summary of Lease Terms

- 1) The term of the lease is to be 36 months, which term may be extended on a month-to-month basis to the achievement of the “Commercial Operation Date” of the project. The term may not, however, be extended beyond November 1, 2035.
- 2) Swift River Energy Limited (“SREL”) may not access the premises to commence work until after the lease commences, which cannot happen until a building permit has been issued, and SREL has applied for and been granted any necessary approvals exempting it from any applicable Township by-laws.
- 3) SREL shall make a onetime payment of One Hundred and Twenty Five Thousand (\$125,000.00) Dollars to the Township, such payment not to be adjusted or refunded in the event that the initial term of the lease is shortened, or if SREL exercises its right to terminate the lease.
- 4) SREL shall pay the sum of Five Thousand Two Hundred (\$5,200.00) Dollars to the Township for each calendar month that the term is extended beyond the first full calendar month immediately following the end of the initial term.
- 5) SREL shall pay the sum of Five Thousand (\$5,000.00) Dollars to the Township on October 1st in each calendar year in the event SREL uses the Shield Parking Lot during the Bala Cranberry Festival.
- 6) Portage Landing shall only be used for site access, including the construction of a new temporary road, storage of construction materials and the installation of a crane.
- 7) The Portage Landing Parking Lot and the Shield Parking Lot shall only be used for storage and staging purposes and SREL's use will not block or unreasonably impede either the adjacent parking areas from public use or public access to the South Bala Falls, including the pedestrian walkway.
- 8) During the period April 30th to the first Monday after the Bala Cranberry Festival, SREL will have no right to use the Portage Landing Parking Lot.
- 9) All lands shall be restored and a public parkette, including walking paths and/or stairs down to the water's edge with tiered landscaping, shall be constructed on Portage Landing to the satisfaction of the Township.
- 10) SREL shall not use Margaret Burgess Park (the “**Park**”) for construction purposes or alter it in any way. Current public access to the Park shall be maintained.
- 11) SREL shall make a contribution to the Township's costs for legal services and a heritage consultant.

By-laws for Consideration by
resolution

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Written confirmation needed

- Proponent's drawing commits to the provincial government that Margaret Burgess Park would be used for construction purposes
- This would contravene the terms of the lease which was approved by Township Council on January 26, 2016
- Written confirmation is needed that the proponent would not use Margaret Burgess Park for construction purposes