

## **Answers to Questions Raised During the Notice of Completion Period (October 19 thru November 27, 2009)**

The following addresses the most frequently asked questions raised during the 44 day review period that followed the Notice of Completion (posted October 19, 2009).

### 1.0 The Environmental Assessment Review and Approval Process

#### 1.1 At what stage is the project relative to the Environmental Assessment process?

SREL issued the Notice of Completion on October 14, 2009 signalling the start of a public review period. While the minimum period mandated for public review is 30 days (per the regulations), SREL voluntarily extended this review period by two weeks to 44 days. During that period the Ministry of Environment received a number of elevation requests to "bump up" the Environmental Screening to either an "Environmental Review" or an "Individual Environmental Assessment". In accordance with the Ministry of Environment's "Guide to Environmental Assessment Requirements for Electricity Projects (March 2001)" (hereafter referred to as "[Screening Guidelines](#)"), all comments have been forwarded to SREL for review and comment.

In light of the comments received during this Notice period, SREL has offered to meet with all those who submitted elevation requests and our consultants, to discuss the issues of concern. Meetings were offered to be held in Burlington, Toronto and Muskoka to accommodate those seasonal Bala residents who might not be able to attend meetings in Muskoka during the off-season. SREL has also prepared written responses to all elevation requests. Summaries of meetings have also been prepared and distributed to those who had attended the meetings. In accordance with the Screening Guidelines, MOE was provided copies of all correspondence with interested stakeholders that occurred during the Notice period, and, in turn, all correspondence between SREL and MOE concerning a particular stakeholder question or concern has been copied to that stakeholder.

It is now expected that MOE will complete its review of the Environmental Screening Report and provide a ruling on the elevation requests. This is expected to occur this spring. For more information concerning MOE's authority and the process regulating its pending decision, see the [Screening Guidelines](#).

#### 1.2 Can the project be moved to Bala's South Dam?

Swift River Energy Limited responded as required to the Ontario Ministry of Natural Resource's Request for Proposals that pertained to Crown Land located at Bala's North dam. The South channel has never been offered by MNR for development. Nevertheless, in response to queries about a South channel option, SREL conducted a cursory review of this site to assess whether such an option might be feasible. It was concluded that such an option would not be economically feasible.

### 2.0 The Project's Construction

## Answers to Questions Raised During the Notice of Completion Period (October 19 thru November 27, 2009)

### 2.1 Traffic

SREL understands the importance of maintaining a reasonable traffic flow along Muskoka Road 169 (MR-169) during the tourist season. Accordingly, a plan has been devised to minimize traffic disturbances during the 12 – 18 month construction period.

- Construction mobilization would not occur until after the Annual Cranberry Festival. MR-169 will be reduced to one-lane, controlled either by flagmen or a temporary traffic light, for a period of two weeks while one of the required bridge foundations is installed to support a temporary, pre-fabricated Bailey bridge. This process would then be repeated on the other side of the road for an additional two week period (total of 4 weeks of one-lane road reductions during the winter).
- Bailey bridge placement: To enable the installation/placement of the prefabricated Bailey bridge, MR-169 would be closed for one overnight period with normal two-way traffic resumed in time for the morning/daytime flow.
- Bailey bridge removal: To avoid any traffic disruptions over the May 24<sup>th</sup> Victoria Day long weekend, MR-169 would be closed for one night only (early May) to remove the Bailey bridge, followed by two, 2-week one-lane reductions to remove the temporary foundations (total of 4 weeks of one-lane road reductions during the spring). By Victoria Day weekend, full traffic flow will be restored to the original MR-169's alignment for the remainder of the project.

### 2.2 Safety and Security

The construction site and staging areas (see [Figure 5.4](#)) of the Environmental Screening Report) will be secured (fenced) to ensure the public's safety throughout project construction. Safety in the areas outside of the restricted areas should not be affected.

### 2.3 Noise Control

Construction noise is regulated at the municipal level by controlling by-laws and not by the Province. According to the applicable District by-laws and the construction schedule we anticipate, the most notable construction noise (blasting and pile driving) would be restricted to weekday, daytime hours (8:00a to 6:00p) for short phases during the project's early construction period.

### 2.4 Dust and Dirt Suppression

## **Answers to Questions Raised During the Notice of Completion Period (October 19 thru November 27, 2009)**

While the project may produce some dust and dirt, its impacts are not expected to extend much beyond the construction site itself. Every effort will be made to employ dust suppression measures to avoid/minimize these potential offsite construction impacts.

### **2.5 Community Outreach Communications**

SREL proposes to assemble a local advisory group comprised of business and residential representatives and SREL to facilitate discussion and resolution of issues that may arise during construction, and, to advise on project-related community outreach communications.

### **2.6 Impacts to the Local Economy**

Construction activities should not disrupt Bala's local economy. In many respects, the 12 – 18 month construction period may in fact represent a local economic windfall, particularly through the off-peak season periods. That said, SREL recognizes that construction activities will have an impact on Purk's Place and the Stone Church operations that abut the project site and we are in detailed discussions with both parties to develop a mitigation plan that addresses their particular circumstances.

From a broader perspective, a construction project such as this, can be expected to provide local employment opportunities as contractors generally try to hire local labour. It is estimated that 4,000 to 6,000 person hours (or about 15 people) will be required to build this facility.

In addition, we foresee additional business opportunities for various service and retail industries in Bala and the surrounding area with respect to lodging, restaurants, building supplies, fuel etc., over the 12-18 month period. These direct opportunities generally have a multiplier effect that results in indirect benefits to other local businesses as various services, suppliers and/or facilities are expanded/improved to service the project's construction needs.

In response to requests to conduct an Economic Impact Study of the project's short and long term impacts, we are still trying to determine whether a project of this limited size and scope could be adequately assessed by a study that is typically used for larger projects that are expected to have much larger local/regional impacts.

### **2.7 Local Festivals**

SREL is committed to working with the community to ensure the project's construction has minimal effects on local tourism events. By completing all road work during the off-peak season or restricting activities to week days leading up to key weekend events such as Regatta (Civic long weekend), Cranberry Festival (weekend after Thanksgiving), Craft and Gift Fair (July and October weekends), Antique and Nostalgia Show (July and October weekends), Santa Claus Parade (November weekend), traffic disruptions can be minimized. In the case of the Bala

## **Answers to Questions Raised During the Notice of Completion Period (October 19 thru November 27, 2009)**

Farmers Market, we understand this venue is being relocated to Bala's Muskoka Lakes Sports Park, thereby avoiding any potential impacts to this event.

### 3.0 The Project's Long Term Operations

#### 3.1 A New Tourist Attraction

SREL's vision for the project is to incorporate a public park atop the buried powerhouse. As envisioned, this park could include lookouts over the Moon River as well as indigenous vegetation and interpretive signage. It is SREL's belief that this area could become a significant new attraction that would draw new visitors to Bala interested in this area's natural beauty and its century-old history as a source of valuable hydroelectric energy.

As stated in the ESR, SREL is committed to the following:

- Ensuring access is maintained to both sides of the north and south falls
- Professionally landscaping the area to create a public park and river/sunset view lookout
- Providing an upper lookout area adjacent to the road, that is handicap accessible
- Incorporating interpretive signage into the site to describe the heritage of the area and its history with waterpower.
- Assisting the Township with the constructing/installation of a year round snowmobile/pedestrian bridge between the Bala wharf and Diver's Point. The details of this are, however, are still to be worked out.

SREL is committed to forming a Landscape Advisory Group to gather local input on the landscaping, park design, the proposed lighting and interpretive signage for the site.

#### 3.2 Public Access

[Figure 6.5](#) from the Environmental Screening Report illustrates those areas where, for public safety and security reasons, public access will be permanently off-limits. As currently envisioned, a wheelchair accessible lookout could be located near MR-169 along with a walking trail down to another, lower, lookout near the water's edge. For those wanting to get to the water, a new set of stairs is proposed from MR-169 to the base of south side of the North falls. The area to the south of the powerhouse could be accessible via a landscaped path. As previously noted, these particulars would be subject to the input/comments provided by the proposed Landscape Advisory Group.

#### 3.3 Public Safety

SREL and the regulatory authorities (provincial and federal) recognize that increased flow rates immediately above a power station's intake and immediately below its tailrace can pose an increased hazard. To mitigate this risk, access to these areas – from water or land – will be

## **Answers to Questions Raised During the Notice of Completion Period (October 19 thru November 27, 2009)**

restricted by booms and fencing and will be carefully signed to ensure the public is aware of the hazards.

Transport Canada is responsible for assessing the suitability of marine areas for boating and has concluded that given the proposed location of the upstream boom (above the powerhouse intake area), that the Town Docks could be used and accessed safely during station operations.

Transport Canada has also confirmed that activities associated with the annual Regatta (including swimming) would not be compromised by the proposed facility's operations.

The area downstream of the facility outside of the restricted zone below the tailrace would not be significantly affected for navigation. In fact, Transport Canada has noted that the area south of the tailrace will in fact make navigating a small vessel easier and more predicible following the construction of the facility. This is because the flow from the tailrace will eliminate the swirling (circular) flow which presently occurs in that area during high flows. The removal of this swirling water will allow easier and safer handling of small vessels in that area.

### **3.4 Local Benefits**

While it is difficult to quantify with any precision, the long term economic benefits of a project of this size and scope, SREL is confident that this development includes many features that will attract new visitors to Bala, and, as a result contribute to longer term economic well being of the Bala community. For example:

- SREL intends to retain Bracebridge Generation (part of Lakeland Holdings), to provide plant operating, maintenance and management services. Bracebridge Generation has indicated that they foresee hiring additional staff for this role.
- SREL is in discussions with the Township with respect to SREL assisting with the installation of a pedestrian/snowmobile bridge that would improve safe year-round access between the island and the Town Dock area.
- The landscaping proposed for the station site and surrounding area would improve safe access to magnificent vistas of the Moon River and the project's site.
- Augmenting the hard and soft landscaping details with interpretive signage that addresses the natural and historical significance of this area could only be expected to enrich and attract new visitors to this passive recreation experience.
- As a new and prominent member of the Bala business community, SREL is committed to taking on an active and socially responsible role in helping support and promote local community initiatives.

### **3.5 Water Levels / Scenic Flow**

The MNR is responsible for ensuring that water levels/flows above and below Bala's North and South dams are managed in accordance with the seasonal ranges set out in the Muskoka River Water Management Plan (MRWMP). MNR has conducted a detailed review of the proposed facility's operating profile and has recommended changes to ensure this project strictly adheres

## **Answers to Questions Raised During the Notice of Completion Period (October 19 thru November 27, 2009)**

to the lake levels and regimes set out in the MRWMP, i.e., a narrow “best management zone” for upstream lake water levels, and a summer minimum of  $1\text{m}^3/\text{sec}$  at each of the two dams. While meeting these requirements, SREL proposes to increase the minimum water flow through the South Channel from  $1\text{m}^3/\text{s}$  to  $2\text{m}^3/\text{sec}$  for the summer tourist season. We are confident this flow regime will satisfy people’s concern for preserving the aesthetics and aquatic habitat requirements surrounding Bala’s North and South dams.

As part of our stakeholder consultations, MNR has confirmed that the flow regimes we propose for operating the plant will not increase water levels above or below Bala’s two dams beyond the seasonal fluctuations now experienced.

### **3.6 Fisheries**

Ensuring the protection of fish habitat and significant aquatic communities is a joint Responsibility of federal and provincial authorities, i.e., Department Fisheries and Oceans Canada (DFO, federal) and the Ontario Ministry of Natural Resources (provincial). SREL has consulted closely with both these authorities in developing the construction and operating plans for our Bala Falls facility and we are confident the measures we propose to mitigate the potential short and long term impacts to the aquatic environments surrounding Bala’s North and South dams will be effective. DFO will be monitoring these mitigation and compensation efforts during and post construction to ensure that they are effective.

### **3.7 Noise Control**

As part of the environmental permitting and licensing requirements, SREL has had to conduct an acoustic assessment (see Environmental Screening Report: Volume 2, [Appendix C1](#)) to demonstrate the proposed facility will not exceed strict provincial noise standards. While the Ministry of the Environment has reviewed and approved the acoustic assessment, the plant will be subject to a noise audit and review, by the Ministry of the Environment, to confirm the facility is operating within allowable standards.

### **3.8 Municipal Tax Rates**

It is doubtful that this project will have any effect on the municipal tax rates.

### **3.9 Government Subsidies**

SREL is not applying for any government subsidies for this project. All power from this project will be sold to the Ontario Power Authority under a feed-in tariff contract as part of the Green Energy Act. While the ESR refers to an application made to Natural Resources Canada for an EcoEnergy Incentive, this project has currently been removed from the federal budget and is, therefore, no longer available at this time.

**Answers to Questions Raised During the Notice of Completion Period  
(October 19 thru November 27, 2009)**

3.10 Financial Security Bond

SREL is required to provide security to the Ontario Power Authority (OPA) under our Feed-In-Tariff (FIT) contract to ensure that we do proceed to Commercial Operation. In addition, both the original MNR site release program and the recent OPA FIT application required verification of SREL's financial capability to complete the project.