

KMcGhee MKE

From: KMcGhee MKE [kmcghee@m-k-e.ca]
Sent: April-20-11 11:23 AM
To:
Subject: wschmid@muskokalakes.ca
RE: Bala Falls FDC

To all:

Well, here we are at April 20th and as far as our group is concerned we aren't really much further than we were at our last meeting in October. Waterpower developments, unfortunately, move at the speed of an loaded down snail in this province. Here is an update as to where we are currently and where we are expecting to go to next.

1. As I am sure all of you know, on March 25th, the Director for the Ministry of Environment finally issued her decision on the elevation requests that were received back in fall 2009. I have attached a copy of this decision for those of you who may not have seen it, along with the general letter that the majority of the elevation requesters received from the Director. Note that there were a few personalized responses sent out to a handful of individuals by the Director as well.
2. The decision letter addressed to Swift River, outlines the 4 conditions that the MOE has imposed on the project as part of her decision, and to which SREL are committed to follow. Note, however, that the condition 1 references commitments made to OPG that include a further 8 sub-conditions for this item. This condition deals specifically with requests made by OPG (in the form of an elevation request from Nov. 2009) with respect to how the Bala plant will be operated. You may recall that I discussed this elevation request from OPG at the second and third meetings of our group, but could not put any real detail to these requests until they were fleshed out with OPG and until the province weighed in on its evaluation of these conditions. To summarize, the commitments SREL made to OPG (subject to approval by the province), essentially state that the Bala Falls Project will not negatively impact the downstream OPG plants. In particular, Swift River has committed to:
 - a. Operate the project as a run-of-river facility, incorporating a flow plan developed weekly in consultation with MNR and OPG. This is similar to what MNR currently does with the dams. The facility would be run flat under normal flow conditions i.e. no load cycling of the facility throughout the day. The intent of this condition is to simulate the status quo (i.e. how the dams/water levels are operated currently by MNR)

- b. Lake Muskoka would not be used as storage with respect to the operating regime (i.e. this would not be a reservoir system).
 - c. During drought conditions (flow in Muskoka River is less than 26 m³/s), the facility would be cycled such that its operating discharge would be 26 m³/s or more. Furthermore, **this would only be done if compliance with the water management plan and public safety can be ensured.** This condition has apparently caused some unrest among the community. Therefore, I would like to explain this condition a bit further to this group. During these drought times, the plant would be shut off for a certain amount of time to allow the flows to build up behind the dams, until such a time as the plant could run at its minimum operating capacity. Minimum flows over the north and south dams (as well as flows to Burgess) would still be maintained regardless of if the plant is on or off. Remember, that the minimum flows through the dams would be achieved by leakage in these low flow conditions, so it is not something that can be eliminated, even if we wanted to. It should also be noted that the plant would only operate at this **minimal operating capacity** at this time (plant flow of approx 20 m³/s). Therefore, this does not mean that we will be peaking the plant. Peaking refers to turning the plant off followed by running it a full plant capacity (over 90 m³/s), repeatedly as load patterns require. Therefore, safety issues associated with simply turning on the plant at approx. 20 m³/s, will have an imperceptible change in the area upstream of the safety boom. Furthermore, this does not mean that lake levels will be fluctuated. It is estimated that this cycling process would have less than a 1 inch change in the lake level if done only once per day under these conditions. While we are currently working on the full logistics of how this would be incorporated over various flows, it is apparent that under these conditions, and as a worst case scenario, the plant would be turned on in the morning and turned off in the afternoon each day during this drought period. Multiple cycles in one day would not be required to maintain a maximum lake level change in the order of 1 inch. I believe during our meetings that I may have suggested that we may need to cycle more frequently than this (every 8 hours), but I am now correcting this given the additional work we have now done.
 - d. The facility could not cycle during the period of April 15th to June 1st to ensure that Walleye spawning flows are maintained downstream of the OPG plants. (note that this is in addition to the commitments that we have made for the spawning beds between Bala and the OPG plants).
 - e. SREL will provide OPG with equipment specifications when they are known.
 - f. SREL will mitigate any negative impacts it causes to OPG's downstream projects.
 - g. SREL agrees to enter in a communications plan with OPG.
3. As you may also already know, after the Director's decision was issued on March 25th, a number of appeal requests were received (I don't know the exact number at this point). Some of these appeals reference the cycling condition above as a reason to modify or

change the Director's March decision. Therefore, we cannot be sure of what the province will accept or require with respect to the operating regime of this project. We expect the Minister to make his final decision on these appeal requests by the end of next month.

Therefore, since we are still in a virtual limbo until the Minister has made his decision on the appeal requests (in particular the operating conditions), it is not reasonable to resume our discussions on flow distribution at this time. I will provide another update to the group after the Minister's decision to outline how we see the group moving forward at that time.

Regards,
Karen McGhee, P.Eng.
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