

UPDATE ON THE REDEVELOPMENT OF HOUND CHUTE HYDROELECTRIC GENERATING STATION



I'd like to update you on the status of Ontario Power Generation Inc.'s (OPG) project to redevelop the Hound Chute Generating Station which will bring more clean, renewable hydro power to Ontario. Since our public meeting held last April, OPG has undertaken a wide variety of studies to assess engineering, dam safety, environmental and hydraulic issues associated with the project. As you may be aware, Hound Chute is a run-of-the-river hydroelectric generating station (GS) located about 10 kilometers southeast of Latchford on the Lower Montreal River. The original Hound Chute Generating Station is almost 100 years old and has served the Province well. The proposed redevelopment will involve the complete replacement of the powerhouse on the same footprint as the existing one and will have a capacity of 10 megawatts of electricity. OPG has a mandate from the Government of Ontario to "expand, develop and/or improve its hydroelectric generation capacity" and this project will do exactly that. It also involves refurbishing the existing dam and weir and the installation of an automatic weir which will help reduce fluctuating water levels upstream in the Marsh Bay area. The proposed project has a number of benefits for the people of Ontario and Temiskaming District, these include:

Social, economic and environmental benefits of more strictly controlling the fluctuating water levels upstream of Hound Chute. This will benefit the residents of Marsh Bay and have a more stabilizing effect on the aquatic ecosystem.

Addition of more clean and renewable power in Ontario.

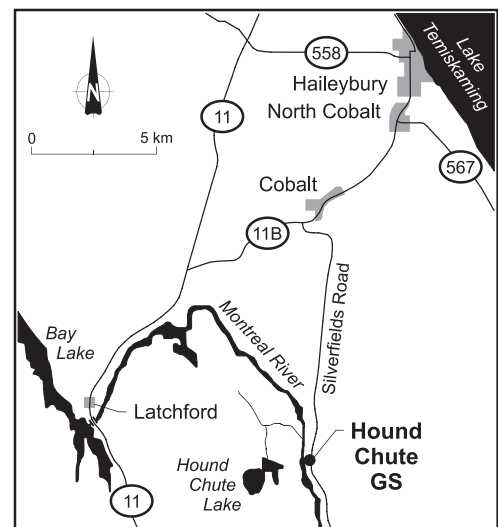
Local and provincial economic benefit through the construction phase of the three projects.

Local socio-economic benefit including employment and spending associated with continued operation of the redeveloped generating station.

We have completed our field work and findings to date indicate that the proposed redevelopment of the Hound Chute Generating Station will have temporary and minor effects on the environment. Reasons for this include the fact that the project is being done in compliance with the Water Management Plan, water levels are being more tightly controlled and the construction of the new powerhouse will be on the site of the existing one. Effects on the environment during construction can be mitigated through good planning and proper construction procedures.

To learn more about the project please attend our open house on Tuesday, October 17th at the New Coleman Township Office. There are phone numbers and a web site listed below where you can learn more about the project.

ED DOBROWOLSKI, *Project Manager*



HOUND CHUTE GENERATING STATION LOCATION

OPG IS FOLLOWING THE ENVIRONMENTAL ASSESSMENT PROCESS

The project is being carried out to meet the requirements of OPG's Class Environmental Assessment for Modifications to Hydroelectric Facilities under the Ontario *Environmental Assessment Act* (EA Act). In addition, a number of environmental permits and approvals will be required from both the provincial and federal governments. Over the spring and summer a number of environmental specialists were out in the field undertaking studies. Some of the preliminary findings include:

Fisheries work upstream and downstream of the powerhouse has shown that no spawning or nursery habitat will be affected by the project. OPG is working with the federal Department of Fisheries and Oceans and the provincial Ministry of Natural Resources on plans for the location of cofferdams and the removal of an old submerged structure that is impeding the flow of water to the powerhouse. As the powerhouse is to be built on the existing footprint there will be no disruption of archaeological resources.

There will be very minimal clearing of trees and other vegetation for construction laydown areas. These areas have been disturbed by previous construction and operations.

The project will have a very positive local, regional and provincial economic effect during construction and will ensure economic benefits through continued operation.

Public use of the Silverfields Road will not be impacted during construction.

Based on the preliminary work the overall environmental impact of the project will be minor and temporary and can be mitigated through proper planning and the implementation of appropriate mitigation and monitoring measures. More detailed findings from the EA will be presented at the October Open House.

NEXT STEPS

- Obtain public feedback from the October Open House
- Prepare and finalize Technical Supporting Documents including Environmental Report
- Obtain stakeholder and Agency feedback
- Revised Environmental Report package submit to MOE for approval
- Obtain EA Approval (early 2007)

OPG IS SEEKING PUBLIC INPUT AS PART OF THE EA PROCESS

OPG is committed to consulting with First Nations, government agencies, the public and other interested stakeholders about the project. OPG wants to hear from people interested in the project. Your input and comments will be considered, documented and included in the preparation of the EA report.

OPG hosted a Public Open House in April. A newsletter was issued, and a website was setup where people could read about the project and also provide comments on the project. Any concerns expressed at the open house and or via the web site have been considered in the EA studies.

To encourage public participation OPG will be holding a Public Open House in Coleman Township. Stakeholders will have the opportunity to speak directly with representatives of OPG and its environmental consulting team.

The fall Open House will be held on Tuesday October 17, 2006 at the New Coleman Township Office, Marsh Bay Road (behind the Cobalt Truckstop) from 3:00 pm – 8:00 pm. A formal presentation will be given at 6:45 pm.

FOR MORE INFORMATION

OPG has retained SENES Consultants Limited of Richmond Hill, Ontario to undertake the EA. For more information on the Hound Chute Environmental Assessment or to be put on our mailing list, please contact:

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