

PROPOSED DEVELOPMENT OF A SMALL RUN-OF-THE-RIVER GENERATING STATION AT MATTAGAMI LAKE DAM (Kenogamissi Falls)

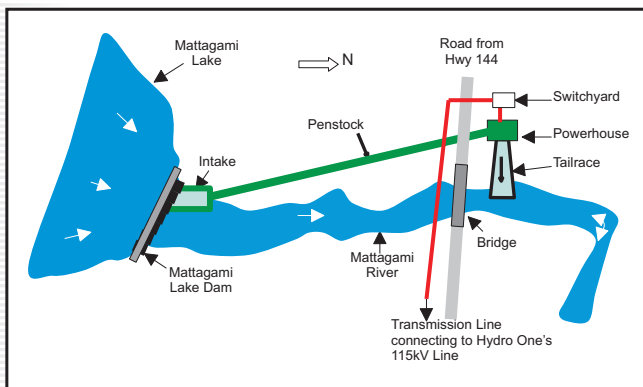
More Clean Renewal Electricity - Update on OPG's Plans to Develop a Small Run-of-the River Hydroelectric Generating Station at the Mattagami Lake Dam



Ontario Power Generation Inc. (OPG) and the Mattagami First Nation would like to update you on the environmental assessment (EA) process to bring more clean, renewable hydro power to Ontario.

In June 2007, we held an Open

House in Gogama to describe the proposed Mattagami Lake Dam Development Project to the public. The Proposed Undertaking involves developing a small run-of-the-river hydroelectric generating station at the site of the existing Mattagami Lake Control Dam. The Proposed Undertaking, which is shown below involves the building of a powerhouse which holds the equipment which generates the power. The powerhouse is about the size of a typical family home. Water is carried from the existing control dam through an intake structure and a steel pipe known as a penstock. The generating station would require a transmission line approximately 4 kilometers long from the site to the existing Hydro One transmission line. The proposed generating station would produce about 5-7 megawatts of power, enough to produce electricity for 2500 – 3000 homes.

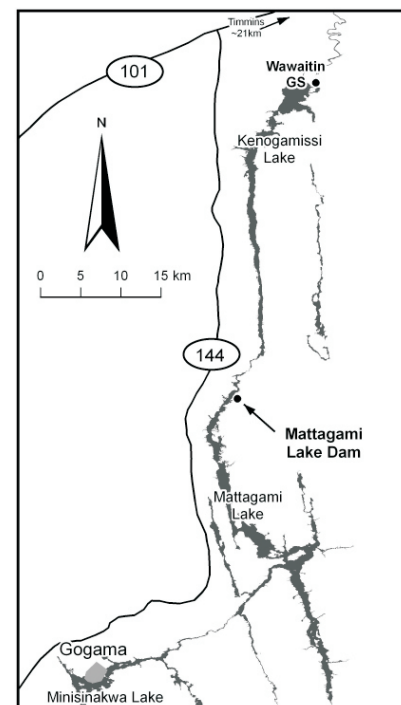


OPG has undertaken a number of studies to assess engineering, dam safety and environmental issues associated with the project. The project will not result in any new inundation (storage of water) and will be done in compliance with the approved Mattagami River System Water Management Plan. Potentially, the Proposed Undertaking will have a number of benefits for the people of Ontario and Timmins that include:

- Addition of more clean and renewable power in Ontario.
- Local socio-economic benefit associated with the construction and operation of the project.
- Utilization of an existing control dam.
- Economic benefit and opportunity for Mattagami First Nation.

You are invited to attend one of our open houses in Gogama or Timmins. Details about the open houses and the project in general are included in this newsletter.

MAHIR AYDIN, *Project Manager*



MATTAGAMI LAKE DAM GENERATING STATION LOCATION

THE ENVIRONMENTAL ASSESSMENT

The environmental assessment will be conducted according to the Ontario Ministry of Environment's "Guide to Environmental Assessment Requirements for Electricity Projects Category B" (March 2001) 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:

The Proposed Undertaking is compatible and consistent with the existing crown land use direction and resource uses in the area.

Fisheries field work was conducted in 2006 and 2007 and continues through November of this year in order to assess any potential impact on whitefish spawning. During this year's walleye spawning assessment both sides of the entire river between the Mattagami Lake Dam and Kenogamissi Lake was examined at night for spawning fish, revealing that important spawning areas occur over a much broader area than previously thought. Our preliminary results indicate that there may be little to no net impact on fish spawning habitat once the appropriate mitigation measures are implemented.

The preferred transmission corridor would primarily utilize an old transmission corridor, over an area of second growth timber and would not impact any significant or unique values or interests.

The area of a tree clearing for the generating station and transmission line will be in the range of 10-15 hectares.

In addition, a Cultural Heritage Assessment (archaeological) is being conducted to meet the Ministry of Culture's requirements for the purpose of the EA.

Finally, it is anticipated that the environmental impact associated with the project will be temporary and minor and can be mitigated through proper planning and the implementation of appropriate mitigation and monitoring measures. More detailed findings from the environmental assessment will be presented at the November Open House.



OPG IS SEEKING PUBLIC INPUT AS PART OF THE EA PROCESS

Through the environmental assessment 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 environmental assessment report.

OPG hosted a Public Open House in June. 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 studies.

To encourage public participation OPG will be holding Public Open Houses in Gogama and Timmins as noted below. Stakeholders will have the opportunity to speak directly with representatives of OPG and its environmental consulting team.

The fall open houses will be held at: the Gogama Recreation Centre, November 20, 2007 3:00 p.m. – 8:00 p.m. with a formal presentation at 6:45 p.m.; and at the Days Inn Timmins (14 Mountjoy Street South), November 22, 2007, 3:00 p.m. – 8:00 p.m. with a formal presentation at 6:45 p.m.