

**IN THE MATTER OF  
THE ENVIRONMENTAL ASSESSMENT ACT, S.B.C. 2002, c. 43 (THE ACT)**

**AND**

**IN THE MATTER OF  
AN APPLICATION FOR AN ENVIRONMENTAL ASSESSMENT CERTIFICATE**

**BY SEA BREEZE ENERGY INC. (THE PROPONENT)**

**FOR THE**

**KNOB HILL WIND FARM  
(THE PROJECT)**

**ENVIRONMENTAL ASSESSMENT CERTIFICATE E04-01**

**Whereas,**

- A. The Project is a 450 megawatt (MW) wind farm to be located on Knob Hill near Holberg, British Columbia, and comprises 150 wind turbines, associated access and onsite wind farm roads, underground and overhead transmission lines, a substation and switchyard, and a concrete batch plant;
- B. The Project is a reviewable electricity project under Table 7 of the Reviewable Projects Regulation as it will be a new facility with a rated nameplate capacity of more than or equal to 50 MW of electricity;
- C. On June 11, 2003, the delegate of the Executive Director of the Environmental Assessment Office (EAO), under section 10(1)(c) of the Act, ordered that an environmental assessment certificate is required for the Project, and that the Proponent may not proceed with the Project without an assessment;
- D. On March 8, 2004, the delegate of the Executive Director of the EAO accepted for review an application (the Application) from the Proponent for an environmental assessment certificate (the Certificate) under the Act for the Project and established a public comment period for the Application;
- E. The Application was reviewed by the public and by representatives from federal, provincial and local government agencies;
- F. The Quatsino and Tlatlasikwala First Nations actively participated in the review of the Application and the Kwakiutl First Nation was also invited but chose not to participate;
- G. The Proponent provided additional information in relation to the Application to address issues identified during the course of the assessment;

- H. The delegate of the Executive Director reported on the potential effects of the Project in a report entitled the "Knob Hill Wind Farm Project Assessment Report" (the Assessment Report);
- I. The Executive Director has referred the Application, Assessment Report, and Recommendations of the Executive Director and Reasons for Recommendations pursuant to s.17 of the Act, to the Minister of Sustainable Resource Management (the Minister), the Minister of Energy and Mines (the Responsible Minister), and the Minister of Water, Land and Air Protection (hereafter the Ministers); and
- J. The Ministers have considered the Application, Assessment Report, and Recommendations of the Executive Director and Reasons for Recommendations.

**Now Therefore,**

The Ministers, pursuant to s.17(3) of the Act, hereby issue this Certificate to the Proponent subject to the following conditions (the Conditions):

**Conditions**

- 1. The Proponent must cause the Project to be designed, located, constructed, and operated in accordance with the Conditions of this Certificate and the documents and correspondence listed in Schedule A, and must comply with all of the Conditions of this Certificate to the reasonable satisfaction of the Minister.
- 2. Where, in the reasonable opinion of the Minister, there is a conflict or inconsistency between any of the documents listed in Schedule A, Condition 1 must be interpreted so that the contents of the later dated document will vary, repeal, rescind or supersede, as the case may be, the contents of earlier dated documents listed in Schedule A.
- 3. Where, in the reasonable opinion of the Minister, there is a conflict or inconsistency between any of the documents listed in Schedule A and the Conditions which follow, these Conditions must take precedence over and supersede the contents of the documents listed in Schedule A.
- 4. Despite Condition 1 above, if prior to the start of operation of the Project, the Proponent proposes a material change to the design, location, construction or operation of the Project as described in the documents listed in Schedule A, and the change may in the opinion of the Executive Director have the potential for significant adverse effects, the Proponent must then provide to the Executive Director:
  - a) an application in writing to amend the Certificate pursuant to s.19(1) of the Act; and,
  - b) plans, analysis, records and other information necessary for an effective assessment by the Executive Director of the proposed change.
- 5. The Proponent must submit to the Executive Director a report on the status of compliance with the Conditions of this Certificate and the commitments made in documents listed in Schedule A, two weeks prior to start of construction, two weeks prior to start of operation, and one year after the start of operation of the Project.

6. This Certificate is of no force or effect until signed by the Ministers.
7. This Certificate does not constitute a permit, licence, approval or any other authority required under any other enactment.
8. The Proponent must obtain the written consent of the Minister, such consent not to be unreasonably withheld, prior to disposing, whether legally, beneficially or otherwise, of:
  - a) this Certificate, or any right, title or interest conferred by this Certificate; or
  - b) the Project.

#### **Duration of Certificate**

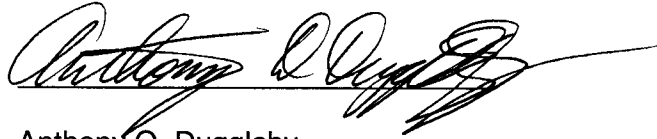
9. The Proponent must have, in the reasonable opinion of the Minister, substantially started the construction of the Project within five years of the date of issue of this Certificate, if not this Certificate expires.

#### **Suspension, Cancellation and Amendment of Certificate**


10. This Certificate may be subject to cancellation, suspension in whole or in part, amendments, or the attachment of new Conditions, for any of the following reasons:
  - a) the Minister has reasonable and probable grounds to believe that the Proponent is in default of:
    - i. an order of the Courts under section 35(2), 45 or 47 of the Act;
    - ii. an order of the Minister made under section 34 or 36 of the Act; or,
    - iii. one or more requirements or Conditions of this Certificate or
  - b) the Proponent or its officers or employees when acting on behalf the Proponent, have been convicted of an offence under the Act, with respect to the Project; or
  - c) an order is made or a resolution is passed, for the winding up, or dissolution of the Proponent, or the Proponent is in receivership or bankruptcy proceedings, without such order or resolution being rescinded or stayed and, in the case of any of the foregoing, the Minister has reasonable and probable grounds to believe that a breach of, or default under, this Certificate has occurred or is likely to occur.

The Conditions of this Certificate are agreed to by the Proponent this

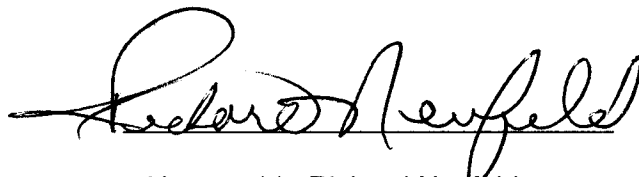
21<sup>st</sup> day of Sept, 2004



Anthony O. Duggleby  
President  
Sea Breeze Energy Inc.



Honourable George Abbott  
Minister of Sustainable Resource  
Management



Honourable Richard Neufeld  
Minister of Energy and Mines



Honourable Bill Barisoff  
Minister of Water, Land and Air Protection

Issued this 21<sup>st</sup> day of Sept, 2004, in Victoria, British Columbia.

## **SCHEDULE A**

### **DOCUMENTATION AND CORRESPONDENCE FOR THE KNOB HILL WIND FARM PROJECT PREPARED BY OR FOR THE PROPONENT**

1. March 11, 2004: Environmental Assessment Certificate Application for the Proposed Knob Hill Wind Farm, Vancouver Island, B.C., Volumes 1 to 4, submitted by Sea Breeze Energy Inc. to the Environmental Assessment Office (EAO).
2. May 17, 2004: Letter from Sea Breeze Power Corp. to the Quatsino First Nation.
3. May 17, 2004: Letter from Sea Breeze Power Corp. to the Tlatlasikwala First Nation.
4. May 17, 2004: Letter from Sea Breeze Power Corp. to EAO with attachment titled Responses of Sea Breeze Energy Inc. to the official comments made by provincial agencies in April 2004 regarding the Environmental Assessment Application for the Proposed Knob Hill Wind Farm.
5. May 17, 2004: Letter from Sea Breeze Power Corp. to the Canadian Environmental Assessment Agency with attachment titled Responses of Sea Breeze Energy Inc. to official comments made by federal agencies in April 2004 regarding the Environmental Assessment Application for the Proposed Knob Hill Wind Farm.
6. May 18, 2004: Letter from Manning, Cooper and Associates to Sea Breeze Energy Inc. re Aerial survey for Sandhill Cranes at and near Knob Hill Wind Farm on 14 May 2004.
7. May 18, 2004: Letter from Manning, Cooper and Associates to Sea Breeze Energy Inc. re: Radar surveys and other wildlife surveys 28 April to 4 May 2004 at Knob Hill Wind Farm Area.
8. May 26, 2004: Letter from Sea Breeze Power Corp. to the Canadian Environmental Assessment Agency with attachment titled Responses of Sea Breeze Energy Inc. to the comments made by CWS and NRCan in May 2004 regarding the Environmental Assessment Application for the Proposed Knob Hill Wind Farm.
9. May 31, 2004: Letter from Sea Breeze Power Corp. to EAO summarizing public and First Nations consultation activities since March 3, 2004.
10. June 10, 2004: Letter from Sea Breeze Energy Inc. to EAO re: clarification of public meeting attendees and Pincher Creek update.
11. June 10, 2004: Letter from Sea Breeze Energy Inc. to Quatsino Band Council re: Additional Archaeological Work.
12. June 14, 2004: Letter from Manning, Cooper and Associates to Kwakiutl District Council re Roosevelt Elk and the Knob Hill Wind Farm Area.

13. June 29, 2004: Revised Cumulative Effects Assessment (Addendum 2 to the Environmental Assessment Application for the Proposed Knob Hill Wind Farm) prepared by Sea Breeze Energy Inc.
14. June 29, 2004: Preliminary Decommissioning and Restoration Plan (Addendum 3 to the Environmental Assessment Application for the Proposed Knob Hill Wind Farm) prepared by Sea Breeze Energy Inc.
15. July 1, 2004: Letter from Sea Breeze Power Corp. to Canadian Environmental Assessment Agency with attachment titled Responses of Sea Breeze Energy Inc. to second round comments made by federal agencies in June 2004 regarding the Environmental Assessment Application for the Proposed Knob Hill Wind Farm.
16. July 22, 2004: Letter from Sea Breeze Power Corp. to EAO with attachment titled Changes to Sea Breeze's Supporting Documents to the Environmental Assessment Application for the Knob Hill Wind Farm due to Agencies Requests of July 16, 2004.
17. July 22, 2004: Draft Environmental Protection Plan Version 2.0 (Addendum 1 to the Environmental Assessment Application for the Proposed Knob Hill Wind Farm).
18. July 29, 2004: Email from Sea Breeze Power Corp. to EAO with attachment from GeoWise Engineering Ltd. re: Holberg Barge Facilities.
19. July 29, 2004: Letter from Sea Breeze Power Corp. to Tlatlasikwala First Nation with attachment containing Sea Breeze Energy Inc.'s response to comments.
20. August 4, 2004: Draft Monitoring Plan for Potential Wildlife Impacts associated with Knob Hill Wind Farm (version 10.0) prepared by Manning, Cooper and Associates for Sea Breeze Energy Inc.
21. August 5, 2004: Letter from Sea Breeze Energy Inc. to EAO re: Knob Hill Wind Farm Consultation Update.
22. August 6, 2004: Email from Sea Breeze Power Corp. with attachment titled Interim Design Turbine and Road Layout (Addendum 5 to the Environmental Assessment Application for the Proposed Knob Hill Wind Farm).
23. August 13, 2004: Letter from Sea Breeze Energy Inc. to Tlatlasikwala First Nation regarding impact of the project on hunting.
24. August 13, 2004: Email from Millenia Research Limited attaching a report titled Knob Hill Wind Farm: An Archaeological Overview Assessment Non-Permit Report, dated July 5, 2004, prepared by Millenia Research Limited for Sea Breeze Energy Inc.
25. August 19, 2004: Letter from Sea Breeze Power Corp. to the EAO with attachment titled Table of Commitments and Assurances (Addendum 4 to the Environmental Assessment Application for the Proposed Knob Hill Wind Farm) prepared by Sea Breeze Energy Inc.