

**Appendix 3-5 – Response to Questions and Comments from the Ministry of  
Environment, Water Stewardship Division, December 1, 2006**

*[The following document was prepared by the Proponent]*

# WANETA EXPANSION POWER CORPORATION

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December 1, 2006

Mr. Chris Morgan  
Water Resource Specialist  
Water Stewardship Division  
Ministry of Environment  
PO Box 9340 Stn Prov Govt  
Victoria, BC V8W 9M1

Dear Mr. Morgan:

**Re: Waneta Hydroelectric Expansion Project (WEP)**

I am writing in response to your September 19, 2006 letter to Brian Murphy of BCEAO, in which you identified two outstanding matters requiring further information from WEPC. These relate to coordinated operations between WEPC and TCML, and to potential project effects on water licensees whose sources will be crossed by WEP's transmission line.

Your concern with respect to coordinated power operations at Waneta arose from your interpretation of the Release Coordination Agreement, a copy of which WEPC provided to you on August 23, 2006. You required the consent of both TCML and WEPC to "having their water rights sharing agreement authorized under the *Water Act*." We are pleased to provide a copy of the joint letter by TCML and WEPC dated November 8, 2006 (previously sent to you by e-mail from Bruce Duncan on that date) that confirms the parties' intent to coordinate the operation of the Waneta Plant and the Waneta Expansion pursuant to the Release Coordination Agreement and to seek issuance of required authorizations under the *Water Act*. We believe this letter addresses your concern.

Your second concern relates to water licensees that may be potentially affected by transmission line access, clearing, construction or maintenance. Their licences are outlined in the following table taken from Table 3-10 of the EACA.

Stream Name	Licence No.	Licensee	Quantity and Units	Crossing by Existing Transmission Lines
Lime Creek	C044602	Fred & Janice Buckley	500 GD	Line 71 and Circuit 5L98
Reith Creek	C044601	Fred & Janice Buckley	1000 GD	Line 71 and Circuit 5L98
Four Mile Creek	C042851	Gary & Betty Crakes	500 GD	Line 71 and Circuit 5L98
Seven Mile Creek	C044714	Ministry of Environment	1000 GD 2.75 AF	Line 71 and Circuit 5L98
Nine Mile Creek	C104170	Bruce Ewasiuk	500 GD	No crossing

None of the above streams are designated as a community watershed as defined in the Forest Practices Code and the *Water Act*.

With respect to protecting these licensees, WEPC has established general requirements in the Owner's Environmental Requirements for Construction (OERC) for the construction of the WEP transmission line, including clearing, structure sites, access roads and trails.

Where construction must pass through or over creeks and their associated riparian areas, the OERC establishes Restricted Activity Zones (RAZs) at creek crossings (as shown on OERC Figures 9A-7, 9A-8 and 9A-9) and provides limitations on Contractor activities within these zones. The Contractor will be required to optimize transmission line design to avoid creeks and associated riparian areas and, where clearing and access necessitate work in or passage through RAZs, to avoid or minimize potential adverse effects. Where stringing of conductors is required through RAZs and over other riparian areas, the Contractor shall take effective measures to avoid the disturbance of streambeds and stream banks and to minimize the disturbance of riparian vegetation, per Section C2.1(w) of the OERC.

The Contractor's on-site activities will be closely monitored during construction as described in Section 9 of the EACA and as required by OERC Section A2.2(b)(x) to ensure water sources are protected.

To further address your concern, the following requirements have now been added to the OERC specific to protection of licensed water sources, reflecting relevant items from the "Conditions for Linear Development" prepared by the Nelson Water Stewardship Office:

OERC Section B5, Community Relations, Section B5.1(e)

Upon being advised of a concern relating to the effects of construction activity on licensed water sources, the Contractor shall work diligently and in consultation with the Owner to expeditiously resolve all identified issues relating to its activities.

OERC Section B5, Community Relations, Section B5.1(f)

Not less than four (4) weeks in advance of Transmission Line construction, the Contractor shall notify in writing all water licence holders whose licensed water sources may be affected by construction activity of the commencement of Transmission Line construction. A copy of all such notifications shall be provided to the Owner.

OERC Section D2, Water Quality Protection, Section D2.2(f)

In the event that Transmission Line construction results in damage to existing licensed water sources and their associated water-taking systems, the Contractor shall promptly repair damage caused to water sources and water-taking systems.

OERC Section D2, Water Quality Protection, Section D2.2(g)

Immediately prior to commencing work in the vicinity of licensed water sources and as frequently thereafter as required by changing conditions, the Contractor shall take and test representative samples of source waters and shall obtain benchmark water quality information including as a minimum pH, Turbidity, and Oil and Grease parameters. The Contractor shall also assess and document the quantity of water available at potentially affected water-taking intakes in and downstream of the Transmission Line work area. Copies of all water source and water-taking system test results and assessments shall be submitted to the Owner. In the event that the quantity and/or quality of water at existing licensed water-taking intakes falls below pre-construction benchmark values directly as a result of Transmission Line construction activity, the Contractor shall on request provide affected licensees with potable water until such time as the quantity and quality of water at the water-taking intakes and in affected water-taking systems is restored.

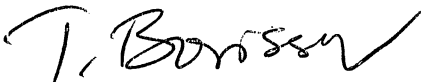
OERC Section F12, Spill Contingency, Section F12.1.4(k)

In the event of a spill affecting or potentially affecting licensed water sources, the Contractor shall immediately take measures to effectively prevent the spilled substance from entering water-taking systems and notify affected water licence holders forthwith. The Contractor shall take water samples from affected water-taking systems and test these samples during the course of spill cleanup operations until such time as the test results show that the quality of water in the water-taking system has been restored. Copies of the results of all such testing shall be provided to affected water licence holders and to the Owner.

Per WEPC's commitment, requirements relating to transmission line maintenance activities, including vegetation control and use of access roads, trails and creek crossings, will be developed as part of WEPC's Vegetation Management Requirements that will be followed by the contracted O&M Operator.

WEPC believes the above measures provide sufficient assurance that water licensees will not be adversely affected by construction or operation and maintenance activities related to the WEP transmission line.

Yours truly,



for W. E. Freeman  
Vice President

cc: Brian Murphy, Project Assessment Director, BCEAO