

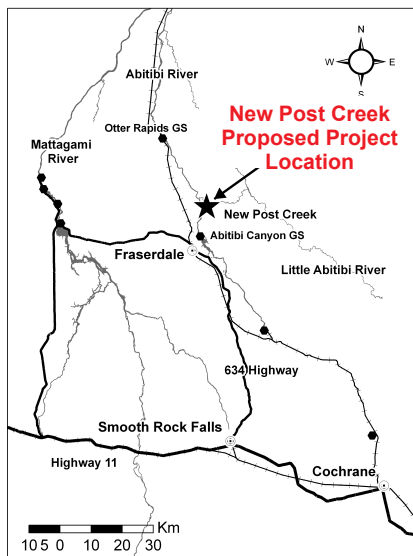
NEW POST CREEK HYDROELECTRIC DEVELOPMENT PROJECT NEWS

NEWSLETTER #2, NOVEMBER 2012

PROPOSED NEW POST CREEK HYDROELECTRIC PROJECT

Ontario Power Generation Inc. (OPG) and its partner Coral Rapids Power LP (CRP) [a wholly owned company of Taykwa Tagamou Nation (TTN)] are proposing to develop approximately 25 megawatts of renewable hydroelectric power through the construction of a generating station on New Post Creek near its outlet to the Abitibi River (Proposed Undertaking or Project).

The Proposed Undertaking is located about 100 km north of the Town of Smooth Rock Falls and 13 km northeast of OPG's Abitibi Canyon Generating Station. The Project would be located about 4 km upstream of New Post Creek Falls. The Project is located in the heart of TTN's traditional territory and near one of the community's Reserves.



The proposed generating station will include a dam/weir structure with a water intake and penstock, powerhouse and tailrace channel. Associated activities include improvements to the existing access road to the site and installation of an approximately 7 km long transmission line that would connect to an existing transmission line on the west side of the Abitibi River.

The Proposed Undertaking occurs in an area that has previously been disturbed by the original New Post Creek diversion. Some of the technical and environmental studies undertaken have included:

spring spawning surveys, water sampling, archaeology and cultural heritage, vegetation assessments, flow monitoring and aquatic habitat mapping amongst others.

Most of the environmental studies have been completed and demonstrate that the Project represents a good economic opportunity with limited environmental impacts most of which can be mitigated through appropriate design. Some of the key findings of the work include:

- The proposed project occurs in an area previously impacted by forest harvesting and there are no particularly rare, endangered or unique plants or plant communities impacted by the project.
- Given the recent forest harvesting, the area is not currently good habitat for woodland caribou use.
- New Post Creek has a fairly impoverished fish community and therefore impacts on fish are considered to be minimal.
- No effects are expected on archaeological resources.
- The project will allow for a new and safer portage around New Post Creek Falls.
- OPG and CRP have also been working with TTN and the Ontario Ministry of Natural Resources (MNR) on an operating pattern for the facility that minimizes negative impacts on fisheries at the base of New Post Creek Falls and accounts for aesthetics as well as other uses and considerations.

The New Post Creek Hydroelectric Project has the potential to provide enough electricity to power approximately 20,000 homes. The Proposed Undertaking will produce several hundred person years of construction employment in the region and will represent a long term economic benefit for TTN.

Please take a few moments to read this newsletter, and plan on attending one of the open houses that are described below. Listed at the end of the newsletter are phone numbers of the project team. There is also a web site listed where you can learn more about the New Post Creek Project.

Matt MacDonald, Project Manager, OPG
Wayne Ross, President, Coral Rapids Power



**ONTARIO POWER
GENERATION**

THE ENVIRONMENTAL ASSESSMENT PROCESS

Under the provincial Environmental Assessment Act, the Proposed Undertaking is subject to the Class Environmental Assessment (Class EA) for Waterpower Projects as a new project on a managed waterway. The Class EA planning process requires CRP and OPG to evaluate the positive and negative environmental effects of the Proposed Undertaking and prepare an Environmental Report on both the construction and operation phases of the Project.

To carry out the Proposed Undertaking, the deregulation of approximately a 200 hectares portion of the Little Abitibi Provincial Park is necessary to align with requirements of the Provincial Parks and Conservation Reserves Act, 2006. Approximately 400 ha of replacement lands adjacent to the Park boundary have been identified resulting in a larger park and enhanced ecological integrity. TTN and CRP along with MNR and Ontario Parks were involved in the process to determine these replacement lands. The Class EA for Waterpower Projects process will be coordinated with MNR's Crown Land Use amendment and Class EA for Provincial Parks and Conservation Reserves processes to amend the Park boundary for the Proposed Undertaking.



Photo: Geotechnical Investigations

The Proposed Undertaking will also require an administrative amendment to the Abitibi River Water Management Plan, which will be completed in accordance with MNR's planning requirements. CRP and OPG will use the Waterpower Class EA process as a basis for coordinating all future consultation required for the planning stage of the Proposed Undertaking. If the Project proceeds as per the schedule, construction could begin in 2014.

OPG AND CRP ARE SEEKING INPUT AS PART OF THE ENVIRONMENTAL ASSESSMENT PROCESS

To encourage public participation, CRP and OPG scheduled two sets of Open Houses. The first set of Open Houses occurred in 2011. The second and last round of Open Houses will be held on Wednesday, December 5, 2012 at the Curling Club (Reg Lamy Cultural Centre Lounge), 195 5th Street in Smooth Rock Falls, from 4:00pm – 8:00pm., and on Thursday December 6th, 2012 at the Scout Hall, 438 11th Avenue in Cochrane from 4:00 to 8:00 pm. MNR and Ontario Parks staff will be in attendance.

FOR MORE INFORMATION

CRP and OPG have retained SENES Consultants Limited to undertake the Class EA process. For more information or to be put on the mailing list, please contact any of the following people:

Gillian MacLeod, Senior Environmental Advisor, OPG, 700 University Avenue, H18, Toronto, Ontario, M5G 1X6, phone: (416) 592-3481, e-mail: gillian.macleod@opg.com

Wayne Ross, President, Coral Rapids Power, 670 Airport Rd, Unit 206 Timmins, Ontario, P4P 1J2, phone (705) 531-3093, e-mail: wross@coralrapidspower.com

Phil Shantz, Manager - Aboriginal, Land, Resource and Northern Projects, SENES Consultants Limited, 121 Granton Drive, Richmond Hill, Ontario, L4B 3N4, phone: (905) 764-9380, e-mail: pshantz@senes.ca

For more information, please visit our web site at: www.newpostcreek.com.



ONTARIO POWER
GENERATION