

September 28, 2011

Manitoba Eco-Network Water Caucus
3rd Floor, 303 Portage Avenue
Winnipeg, Manitoba R3B 2B4

The Honourable Greg Selinger
Premier of Manitoba
204 Legislative Building
450 Broadway
Winnipeg, MB R3C 0V8

Dear Premier Selinger:

Re: **Terms of Reference** for the Clean Environment Commission hearings on MB Hydro Request for a Final Licence under ***The Water Power Act***

We are writing to request that the Terms of Reference for the CEC hearings on Manitoba Hydro's application for a Final Licence (as announced on July 5, 2011 by Premier Selinger) include:

1) An operational and historic review of Lake Winnipeg Regulation, with a view to examining the balance between environmental, social and economic factors as they relate to the natural and regulated water regimes in the Lake Winnipeg and Nelson River basins.

2) A cumulative Environmental Effects Assessment of the regulation of Lake Winnipeg on the lake, its shoreline, wetlands, aquatic life and water quality – taking into account the interests of First Nations, and communities and users of the lake, as well as those downstream. There has never been a full environmental impact assessment of regulation of Lake Winnipeg or the hydro project for which the lake serves as a reservoir.

The Clean Environment Commission, in its report on the Wuskwatim Project, recommended that:

Recommendation 7.6: The Government of Manitoba require Manitoba Hydro to resolve all outstanding issues with regard to the Churchill River Diversion, the Augmented Flow Program and Lake Winnipeg Regulation. Following resolution of these issues, Manitoba Hydro should apply for the appropriate final licences for these three operations under **The Environment Act and The Water Power Act** as soon as possible.

Outstanding issues concerning Lake Winnipeg regulation include nutrient build up in sediment, water quality issues, shoreline erosion, algae blooms, wetland health, etc. These environmental matters are normally dealt with through an environmental assessment, including independent scientific review.

Recommendation 7.7: The application for the approval of final licences for Churchill River Diversion, Augmented Flow Program and Lake Winnipeg Regulation should include a review of the terms and conditions, an operational review and **any required environmental impact assessments**. Clear guidelines should be developed with respect to what constitutes conformance to and/or violation of the terms under these licences.

3) Independent technical expert and citizen contributions based on 1) and 2) above for a new permanent regime that will continue to include both environmental impacts standards and reporting plus water power operational standards.

The Clean Environment Commission is, quite properly, anticipating that there will be further environmental assessment required as part of the final licensing process. Manitoba Hydro's interim licence was issued under the Manitoba Water Power Act. That interim licence lacked the rigorous environmental analysis that is needed and expected today. It would be inappropriate to base final licensing for the outflow of the world's tenth largest lake merely on confirmation of whether or not terms of the original 1972 interim licence had been met. It would seem logical to exercise Ministerial powers under the Manitoba Environment Act to make Lake Winnipeg Regulation subject to environmental laws, as was the City of Winnipeg sewage treatment works, (also pre-dating the 1988 Environment Act) and hence originally "grandfathered."

We believe it is essential to fully review all impacts of Lake Winnipeg Regulation prior to issuing a final licence so that Manitobans can be assured that due diligence is being exercised in decision making that affects so many people, diverse wildlife and our environment.

Respectfully submitted by:

Vicki Burns, Lake Winnipeg Project

Ellen Cook and Hugo Unruh, Co-chairs, Interfaith Task Force on Northern Hydro Development

Darwin Paupanakis, Secretary to the Councils of Pimicikamak and lead coordinator for Pimicikamak in consultation process on LWR, Pimicikamak

Bob Haverluck, River on the Run Artists' Collective

Hans Winkler, President, Victoria Beach Cottage Owners Association

Mary McCandless, Chair, The Council of Canadians - Winnipeg Chapter

Gaile Whelan Enns, Director, Manitoba Wildlands

Mike Sutherland, Councillor, Peguis First Nation

Maureen Tipples, Save Our Lake

Fletcher Stewart, Regional Rep., Cambrian-Agassiz Region, Kairos

CC. Hon Christine Melnick
CC. Hon Bill Blaikie
CC. Hon Hugh McFadyen
CC. Terry Sargeant, CEC