

Class Environmental Assessments: Lessons Learned and the Path Forward

Ontario Waterpower Association
OAIA Conference
October 2016



The Ontario Waterpower Association

- The provincial renewable energy organization committed to the sustainable development and management of Ontario's waterpower resources
- Representing 99% of Ontario's renewable waterpower generation
- 160 members (legal, environmental, engineering, project finance, construction, Aboriginal)
- Focused on public policy affecting waterpower



Important Context

- Commercialization of the Ontario electricity sector (2001)
 - Commonly called “de-regulation”
 - Ontario Hydro Class EA
- Electricity Projects Regulation (2001)
 - Tantamount to a Class EA
 - Threshold, self screening approach
- MNR Water Management Planning (2002)
 - “EA” for existing generating facilities
 - Direct and significant government investment/participation

The Class EA for Waterpower Projects

- OWA as the proponent
- Bounded by restrictions/requirements of Regulation 116/01
- From generic to specific
 - Aquatic ecology
 - Water Resource Use/Riparians
- Increased expectations
 - Removal of screening out
 - Specific First Nations engagement
- Terms of Reference 2002, Minister's Approval 2008

Commitment to continuous improvement

BEST MANAGEMENT PRACTICES

Migratory Birds and Waterpower Facility Construction



BEST MANAGEMENT PRACTICES

Ontario Waterpower Development
Surface Water Quality and
Fish Sampling Programs



Hutchinson
Environmental Sciences Ltd.

BEST MANAGEMENT PRACTICES

Wetlands and Waterpower Facility Construction



The Green Energy and Economy Act (2009)

- Boom in development of renewable energy
 - Feed in Tariff
 - 50 new waterpower projects
- Renewable Energy Approvals for wind/solar
 - Land Use Planning /Setback Construct
 - Concept of a “Complete Submission”
 - Right to appeal to ERT
- Fixed development timelines and prices
 - Five (5) years from concept to commissioning
 - \$5 Million per MW to build

What happened?

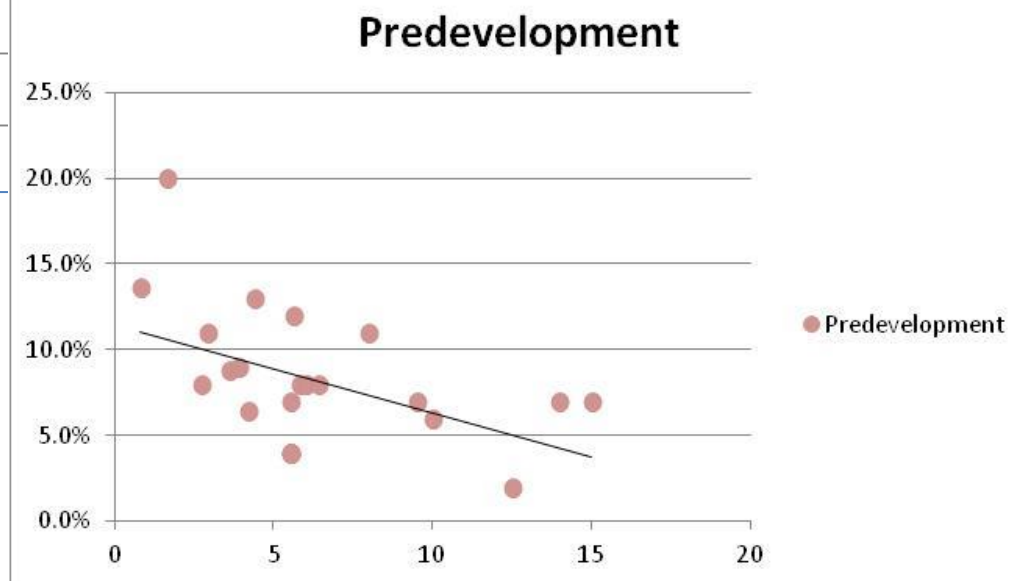
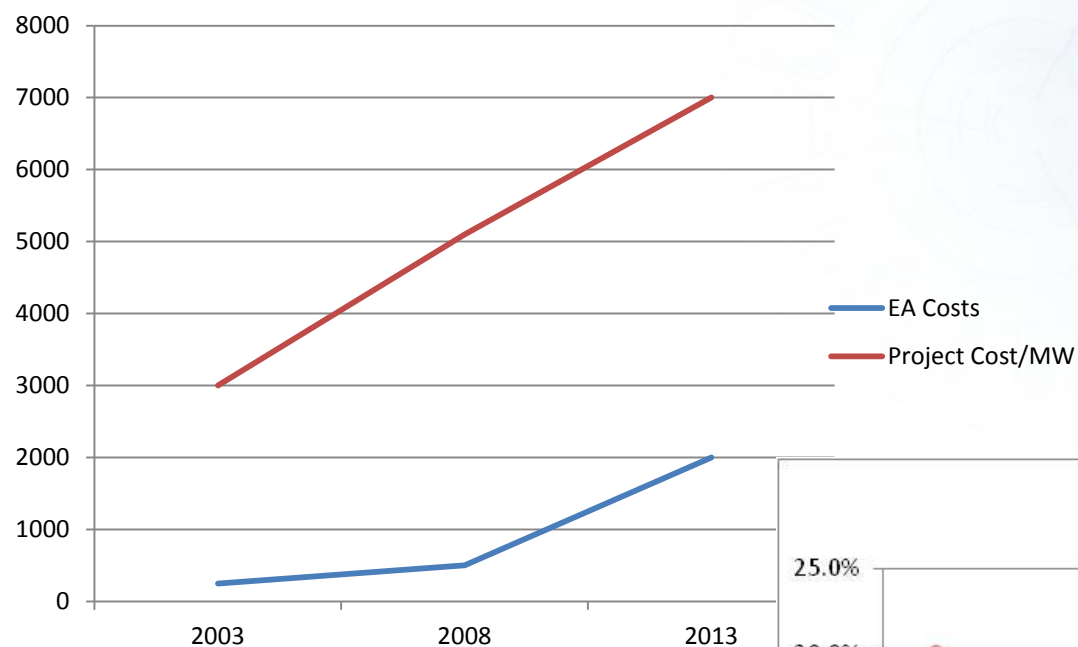
“In acknowledgement of the unique regulatory approval requirements for waterpower FIT projects, the OPA shall offer a three (3) year extension to the Milestone Date for Commercial Operation in existing waterpower FIT contracts.”

Directive from the Minister of Energy, June 2013

Why? - Five Year Review (2013)

- Absence of policy or guidelines with respect to post-EA permitting
- Uncertainty with respect to the role of Ministries in the proponent-led EA process;
- A lack of clarity with respect to the expectations for satisfying EA requirements;
- Concern that prescribed timelines for agency review and comment are not being met;
- Uncertainty as to the process and timelines for the consideration of Part II Order requests.

Cost of EA for Waterpower Projects



The perception....



Lessons learned and key messages

- EA is neither the beginning nor the end of the project development lifecycle
- Regulators require core competencies in the technology or should rely on third party expertise
- It is imperative that regulators actually see the project
- Agencies are not organized to deal with long lead time projects
- The prescribed process for consideration of elevation requests should be followed
- BMP's need to be sanctioned

The path forward...?

