



MINISTER OF CONSERVATION

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

SEP 01 2011

Mr. Terry Sargeant
Chair,
Clean Environment Commission
Room 305 - 155 Carlton Street
Winnipeg MB R3C 3H8

Dear Mr. Sargeant:

Further to my letter to you dated July 5, 2011, attached are Terms of Reference to scope your review of Manitoba Hydro's request for a final licence under the Water Power Act pertaining to the regulation of Lake Winnipeg.

Pursuant to the *Water Power Regulation*, Manitoba Hydro is entitled to a final licence upon fulfillment and compliance with the terms and conditions of its Interim Licence. The purpose of this review is to provide a public forum to consult with stakeholders regarding Manitoba Hydro's performance under its Interim Licence. This information should then be reviewed by the CEC, with a report to the Ministers of Conservation and Water Stewardship summarizing public comments.

Steve Topping of Manitoba Water Stewardship will be the government technical contact for matters concerning this review. You may contact him directly at 945-7488 with any information requests you may have.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Bill Blaikie'.

Bill Blaikie
Minister of Conservation

Enclosure

- c. Honourable Christine Melnick
Steve Topping, Water Stewardship

Terms of Reference

Clean Environment Commission Public Hearing On Manitoba Hydro's Request for a Final Licence under *The Water Power Act*

BACKGROUND

Manitoba Hydro has applied to Manitoba Water Stewardship for a "final licence" for the regulation of Lake Winnipeg under *The Water Power Act*. Pursuant to the Water Power Regulation under the Act, Manitoba Hydro is entitled to a final licence upon fulfillment and compliance with the terms and conditions of the Interim Licence and any other terms and conditions that the Minister may impose. A final license would expire on or before August 1, 2026.

The Minister of Water Stewardship made a request to the Minister of Conservation that the Clean Environment Commission be asked to conduct a review of Manitoba Hydro's application, including a public hearing to allow for the participation of the public in the review.

MANDATE OF THE HEARINGS

The Commission shall conduct public hearings, in appropriate locations around the north and south basins of Lake Winnipeg, in the City of Winnipeg and northern Manitoba as determined by the Commission, to hear evidence about the impacts of the regulation of Lake Winnipeg since the project was authorized under an Interim Water Power Act Licence issued on November 18th, 1970.

The Commission shall conduct the hearings in general accordance with its *Process Guidelines Respecting Public Hearings* which include procedures for Pre-Hearing Meetings or Conferences and Proprietary Information.

Following the public hearings the Commission shall provide a report to the Minister of Conservation summarizing the public comments received during the hearing.

The Commission may, at any time, request that the Minister of Conservation review or clarify these Terms of Reference.

SCOPE OF THE REVIEW

The Commission is asked to review Manitoba Hydro's request for a final licence under *The Water Power Act*. Pursuant to the *Water Power Regulation*, Manitoba Hydro is entitled to a final licence upon fulfillment and compliance with the terms and conditions of its Interim Licence. The scope of this review is to provide a public forum to consult with stakeholders regarding the performance of Hydro under their Interim Licence. *The Environment Act* does not apply to the Lake Winnipeg Regulation project as it was completed before this legislation came into force. Specifically, the Commission may solicit comments on the following related topics:

- Review the broader public policy rationale regarding the regulation of lake levels on Lake Winnipeg in effect at the time leading up to the issuance of the Interim Licence in 1970.
- Hear evidence from Manitobans regarding the effects and impacts of Lake Winnipeg regulation since the project was put into commercial use by Manitoba Hydro on August 1, 1976.
- Review the successes and failures of the implementation of those broader public policy goals that led up to the issuance of the Interim Licence and the construction and subsequent operation of the project.
- Summarize and make comment on the concerns raised pertaining to the issuance of a final licence to Manitoba Hydro under *The Water Power Act* including but not limited to future monitoring and research that may be beneficial to the project and Lake Winnipeg.

The Clean Environment Commission's report shall incorporate, consider and directly reflect, where appropriate, the Principles of Sustainable Development and Guidelines for Sustainable Development as contained in *Sustainable Development Strategy for Manitoba*.

August, 2011