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Peterborough, Ontario, K9J 4R8
September 14, 2007

The Panel on the Future of the Trent Severn Waterway
185 King Street, Suite 100
Peterborough, Ontario, K9J 2R8

Dear Members of the Panel,

I thank you for the opportunity to participate in this process and to contribute material germane to the stated purpose of the Panel. I applaud the Minister of the Environment for seeking responses from interested members of the public. I wish also to express my appreciation to the individual Panel members for the duties and responsibilities you have taken on.

Like many of local residents I place a high value on the waterway's cultural heritage, natural environment and outdoor recreational role and wish to see these preserved and protected for the continued benefit of our growing and diverse Canadian population, our children and future generations.

Recent local activities have caused me to become aware of just how valuable the waterway is in general and in particular to the Peterborough area. After careful analysis I have come to the conclusion that the continued viability of the waterway is under direct threat as a result, in part, to the absence of coordination and communication between the multitude of governing agencies affecting the waterway and with particular regard to water use.

The Panel's discussion papers touch on the issue that the waterway is affected by a myriad of governmental agencies but that there is an absence of communication and coordination between these bodies. This absence not only prevents the development and maintenance of cohesive and comprehensive policies for management of the waterway, it provides loopholes and opportunities for one level of governance to become a conduit to avoid compliance with policies of other levels of governance.

Take for example the proposed hydroelectric development at Locks 22 and 23 by Trent Rapids Power Corporation. TRPC, a private corporation, intends to construct a 1.4 km canal from above lock 23 to a powerhouse below lock 22 to generate hydroelectricity which will be sold under the taxpayer-funded Ontario Standard Offer Program which guarantees TRPC a certain price. It has been estimated that the annual taxpayer subsidy to TRPC will be close to \$2 million¹. A major concern is that utilization of public resources for private profit carries with it the obligation of transparency, an obligation the proponents have failed to fulfill².

Many members of the local community, myself included, see great value in low-head hydroelectric power generation but oppose this hydroelectric project because of the lasting and irreparable damage to the Trent Severn Waterway that will be caused by the construction of a large canal over waterway and other public lands, such as the lands of publicly funded Trent University.

It is disingenuous and misleading for proponents of the development to dismiss opponents as simply naïve tree huggers. It is equally disingenuous and misleading to categorize this project

as “green energy” when a viable alternative exists to coordinate the refurbishing of the federally managed dams with the integration of generators. Such a plan would have the benefit of an extremely small footprint on the waterway and no footprint whatsoever on other public or private lands. The continued revenue from the sale of electricity from generators integrated into refurbished dams would flow directly to the Trent Severn Waterway. Capital investment by the government would have a direct return to the Waterway as well as the taxpayer.

The TRPC has been able to advance its plans towards the construction of this development in part because of the absence of communication and coordination between governing bodies.

The municipal matter of using a Committee of Adjustment decision to avoid the public process of amending the Official Plan and Zoning By-law is currently under appeal to the Ontario Municipal Board³.

Of direct relevance to the Panel is that the proposed development is subject to a federal Environmental Screening under the Canadian Environmental Assessment Act (CEAA) as administered by the Minister of the Environment. And because the project involves Parks Canada lands under the Dominion Water Power Act (DWPA) the Minister of the Environment is responsible for allowing, denying or holding in abeyance any approvals for the development with particular regard to the diversion, use and storage of water for the purposes of hydroelectric generation. And finally it is to the Minister of the Environment that the Panel reports.

A hearing will be held under the Dominion Water Power Act September 26 & 27, well before the Minister receives and responds to the Panel’s report. The final version of the TRPC Environment Screening report has been submitted. There is a distinct danger that decisions will be made under the authority of the Minister of the Environment with respect to the CEAA and the DWPA regarding a development of major impact to the Trent Severn Waterway in the absence of the report from this very Panel under the same Minister of the Environment. I’m sure this irony is not lost on the Panel.

Clearly there needs to be communication and coordination between and within governing agencies regarding management of the waterway. In particular no approvals should be granted to further or allow the TRPC’s development at Locks 22 & 23 until such time as the Minister of the Environment has responded to the Panel’s report. Emphasis must be put on the set of serious duties and public responsibilities the Panel had under its terms of reference. Indeed, the Panel’s report should inform and guide the Minister in respect to this and similar development proposals.

On April 19, 2007 TRPC sent a document package⁴ to the City of Peterborough Committee of Adjustment which included a copy of a letter to the Superintendent of the Trent-Severn Waterway from MP Bruce Stanton dated October 20, 2006⁵. It was Mr. Stanton’s motion in the spring 2006 that led to the creation of the Panel.

TRPC represented Mr. Stanton’s letter in the following manner;

It has been suggested by some members of the public that all projects, including TRPC's project along the Trent Severn Waterway, be delayed until the completion of the review of the use of the

waterway, as proposed by MP Bruce Stanton, has been finalized. In fact, MP Bruce Stanton has proposed this study to promote the efficient and effective use of the Trent Severn Waterway for many uses including the development of hydroelectric power. In the attached letter from M.P. Bruce Stanton, he indicates that he does not wish to hold up projects such as TRPC's and encourages such developments.

While Mr. Stanton might be free to express his opinion to whomever he wishes, I trust he does not represent or speak for the Panel and does not have the authority to direct the Panel, alter the Panel's scope or restrict the Panel's mandate in any manner whatsoever. I trust that the Panel is free to comment and or recommend specifically on the hydroelectric development at Locks 22 and 23 as it sees fit to the betterment of the general public now and in the future.

Often the interests of private corporations are rarely aligned with the public interest. I note the submissions of the Ontario Water Power Association (OWA) to the Panel.

Private corporations will seek to maximize shareholder profit. One means by which it will do this is through pressuring federal, provincial and municipal government to fashion policy and/or legislation in its interests. Indeed we see that this is already the case.

The OWA is a lobby group for the producers of hydroelectricity whose membership includes Shaman Power Corporation, the principle shareholder of the TRPC. The OWA actively lobbies government for policy changes and initiatives to maximize the opportunities for its members to generate profit. While the OWA attempts to "spin" its lobbying efforts in language designed to create the impression of concern for the management of water resources beyond the interests of its membership, it is clear from its own literature and representations at public OWA meetings that the objective of the OWA is to further the interests of its members.

In a separate submission to the Panel⁶ the OWA notes (emphasis added);

More than two-dozen waterpower facilities in Ontario occupy federal lands on the Trent-Severn and Rideau systems. The vast majority of these are situated on the Trent-Severn Waterway (TSW)...

Relatively modest modifications to operational regimes can create substantial opportunities for increased production of renewable energy from existing facilities...

And most revealing;

With proactive public policy defining renewable energy as a key objective for the TSW...

It is clearly evident that the OWA, and others interested in utilizing federal resources to produce hydroelectric power for private profit, such as TRPC, are actively lobbying and pressuring governments to shift water resource management policies into alignment *primarily* with the interests of hydroelectric producers at the expense of existing mandates and other water use interests.

The effects of such a policy shift on navigation, recreation and water quality are far from known, regardless of anything the OWA and TPRC may represent to the contrary, particularly

in light of global warming trends and other factors resulting in water loss and difficulty in maintaining traditional water levels.

In his submission to the Panel (July 4, 2007⁷) the distinguished Dr. Donald Mackay stated that, in his view, the proposed TRPC project is an excellent example of what should not be done and is an example of poor governance. Dr. Mackay states that the project (footnote added);

... will probably result in pressure from the operators for the TSW to increase water flows during the summer when flows are low and lake levels are dropping. I note the submission from the Ontario Waterpower Association⁸ that stresses their desire to “Re-balance priorities on the TSW- from the primary of navigation to multiple benefits” and one that “uses storage reservoirs to a much higher degree for flow attenuation” and “positive waterpower revenues as a key contribution to water resource management”.

I would ask the Panel to give considerable thought to the matter of increasing pressures to shift priority of water management policies in favour of hydroelectric producers. I suggest that to give way to such pressures is not in the public interest. The interests of hydroelectric producers should not take a priority position.

I would ask the Panel to carefully fashion recommendations whose objectives are *primarily* to preserve the waterway’s cultural heritage, natural environment and outdoor recreational roles, and that preserve continued water quality. Hydroelectric developments should only be allowed insofar as they are harmonious with, and not in conflict with, those objectives.

I thank you for your time and consideration of my submission and for reviewing the referenced material.

Respectfully submitted,

Ken Brown

References:

1 Attached - letter from Bruce Lister and Goodith Heeney, August 28, 2007

2 Attached - submission to City of Peterborough Committee of Adjustment, April 3, 2007

3 Attached - submission to City of Peterborough Committee of Adjustment, April 26, 2007

4 Attached

5 Attached

6 Ontario Water Power Association presentation “Information Briefing Note – Overview of Renewable Energy Opportunities on the Trent-Severn Waterway”: <http://tswpanel.ca/english/downloads/Information-Briefing-Note-Overview-of-Renewable-Energy-Opportunities.pdf> (1 page)

7 See http://tswpanel.ca/english/downloads/04-07-07_Donald_Mackay.pdf

8 Ontario Water Power Association presentation “Renewable Energy Opportunities on the Trent-Severn Waterway”: <http://tswpanel.ca/english/downloads/Renewable-Energy-Opportunities.pdf> (24 slides)

From: Bruce Lister and Goodith Heeney*

Subject: The Relatively Negligible Profitability, Dividends and Lease Payments from Trent Rapids Power Corporation (TRPC)'s Hydroelectric Project, Unless Yearly Output Were Significantly Greater Than 30 million kilowatt hours (kwh), and/or Unit Price Greater Than 13 cents per kwh, and/or Unit Production Cost Lower Than 10.55 cents/kwh.

Date: August 28, 2007.

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OBJECTIVES FOR TRPC

The objectives of TRPC are to get approvals from the Ontario Municipal Board and possibly Peterborough City Council, the Dominion Water Power Hearing Report, the Federal Environment Ministry, the TSW Panel Report and Ontario's Standard Offer Program (SOP), before the latter's expiry reputedly between April and November 2008. TRPC would then build over the ensuing 16 months a facility to produce hydroelectricity with hopefully adequate profitability. It would involve a proposed new 1.1 kilometre (km) canal on the western shore of the Otonabee River to divert water from above Dam 23 to a proposed new power house with two 4 megawatt turbines below Dam 22. High-voltage electricity would be transported 1.6 km on wooden poles along Woodlands Drive to join the existing high tension line on Water Street, which goes to an interconnection with the provincial grid just south of Trent University. Large

nearby dumps of limestone from the canal excavation would be landscaped, along with canal berms and a path along the Otonabee. The quantity and quality of water from neighbours' wells would be monitored and if necessary rectified for a five-year period after construction. The latest expectation is that annual power output would be 30,000 megawatt hours at a price averaging about 13 cents per kilowatt hour and a unit production cost of 10.55 cents per kwh. TRPC's fundamental objective would obviously be to achieve more attractive profitability through better output, price and costs.

CONCLUSIONS

There would appear to be an above-average chance that the above objectives for TRPC would not be met. The tragic irony would be a project:

- earning no profit;
- incurring lasting environmental destruction to a jewel of a riverine park and to lovely farm scape when inevitably emulated for the next two dams to the north;
- costing millions annually in taxpayer-funded subsidies for a mature industry not at a technological frontier, whereas wind, solar and bio-gas are at technological frontiers;
- inessential, because its small output would be available at much lower price from imports from hydro and coal-generated power; and
- harming Peterborough's smart growth (see for example the Trust for Public Land's 2007 publication, *The Economic Benefits of Land Conservation*, chapters 1, 2 and 5, available on the internet).

TRPC's revenues less disbursements would be 2.45 cents per kilowatt hour (kwh) or less, given assumptions to be probed later in this memo. At an annual output of 30,000 megawatt hours, this works out to dollar profits of \$0.735 millions to be divided between the two TRPC partners, Peterborough Utilities Incorporated (PUI) and Shaman Power, with the lease payment to Trent University, at \$0.368 million yearly.

A TRPC lease payment of \$0.368 millions yearly to the University in say 2006 would have represented 0.32% of University total revenues of \$116.2 millions (including the lease payment).

A 2.94% approximate rate of return is implied by profits of \$0.735 million divided by capital cost of \$25 millions.

Risks to this micro hydro project from the optic of an investor include:

- adverse asymmetric risk from global warming. An official Report on this matter is to be released during September 2007 and reputedly includes a chapter on Southern Ontario, forecasting more frequent precipitation extremes. Power output could not be increased in floods, but would decrease in droughts. This would imperil the dividends to PUI and Shaman Power and the annual lease payment to Trent University;
- higher-than-budgeted capital costs;
- somewhat higher operating costs from say interest rates and/or TSW water fees;
- effective political pressure by cottagers to roll back TSW lake lowerings despite TRPC lobbying;
- inadequate funding to TSW to reduce dam leakages, fix cracked dams and store more snow melt in quarries etc for more seasonally-even release each summer and fall; and
- public anger and divisiveness, leading to a Quebec-type victory of eco-tourism over micro hydro developments involving TSW Dams 22 to 25 and consequent non-availability of taxpayer-funded SOP and federal ecoEnergy price subsidies, the anger specifically catalyzed by:
 - the to-be-forfeited alternative opportunities (like education and health) for the millions of dollars in subsidies involved;
 - the prospective visual pollution etcetera after TRPC attempted mitigation; and
 - a growing public perception that the project's conventionally and narrowly measured profit/loss would not only be merely one of marginal to moderate profitability, but that this would be swamped by net negative externalities (the effects of a project felt outside the project itself, not included in the valuation of the project, and hence inadequately considered in democratic public debate). Examples from TRPC proponents' standpoint would include indirect economic effects in and outside Peterborough from construction and post-construction emissions-free power. Examples from opponents' standpoint would include temporary and lasting environmental destruction with consequent harm to eco-tourism.

TRPC gross revenues per physical unit of production could annually average about 13 cents/kwh. This conventional accounting revenue measure would be higher, if adjusted for the extra value to society of emission-free electricity output and indirect economic benefits in and outside Peterborough during construction.

TRPC annual average unit cost of production would be at least 10.55 cents/kwh, given

assumptions probed later in this memo. This conventional accounting measure would also be larger, if adjusted for society bearing the value of construction-phase pollution and ongoing irreversible environmental damage beyond TRPC mitigation.

The free-market, import-competing, price of electricity is about 6.50 cents/kwh.

The conventionally accounted annual subsidy to TRPC would also be 6.50 cents/kwh (that is 13 cents/kwh less 6.50 cents/kwh). In dollar terms this works out to \$1.950 millions yearly.

If Canadian Hydro Developers Incorporated (CHDI)'s lapsed scheme just upriver, involving TSW Dams 24 and 25, were revived, because of a subsequent influx of subsidies, the combined subsidy total for TRPC and CHDI would be nearly \$4 millions yearly!

The author guesses that future pro forma financial statements, in this due diligence exercise to understand TRPC, would likely be in the direction of increased output costs from:

- slightly greater-than-expected plant and equipment and interest rates; and
- water charges to help pay for TSW infrastructure refurbishment in an era of hard-to-achieve increases in water quantity with much more competitive demands for water, maybe at best only stable water supply, and hence higher implicit or explicit prices for water.

BACKGROUND

Pursuant to federal Treasury Board policy, federally-owned Trent-Severn Waterway (TSW) called in 1992 for tenders for six hydro power plants to be built on Trent-Severn. Trent University was the successful bidder for Dam 23. It reportedly commissioned a hydro feasibility report from an independent engineering firm which did not include development on the west bank of the Otonabee. Trent University was to enter into a Memorandum of Understanding, more than a decade later, to lease its land for the hydroelectric project to Trent Rapids Power Corporation (TRPC) for a term of 30 years.

For Dams 24 and 25, TSW originally awarded the power rights to the Kilworthy Group, who sold its interest to Otonabee Power, who then sold to Canadian Hydro Developers Incorporated (CHDI), who let the project lapse temporarily in the early 2000s because, without subsidization, it was insufficiently profitable.

Subsequently, millions annually in taxpayer-funded subsidies, largely provincial, but also federal, have become possible to the two schemes. As a result, TRPC has applied to build a canal from above Dam 23 to a future power house below Dam 22, but has not yet received approval, for the provincial subsidy, for which applications become void if not approved by 18 to 24 months after

November 2006. It is very probable that the lapsed CHDI project upriver would be revived, assuming TRPC were to receive successful notification in the near future.

These two projects would boost the number of hydroelectric plants on the Trent-Severn Waterway from 18 to 21. Their capital cost would exceed \$50 millions and shorelines totaling 2.5 kilometres would be affected by serious visual and other pollution.

The seekers of subsidization for the TRPC project comprise three bodies. TRPC is 50 per cent owned by the City of Peterborough through its wholly owned Public Utilities Incorporated (PUI) and 50 per cent owned by a Toronto private company, Shaman Power. The latter has 38 shareholders, four of them local. Its private status means it would not be subject to financial disclosure under the Ontario Securities Commission on its publicly-accessible SEDAR website, but only to financial lenders, including its 38 shareholders, assumed non-US here. Trent University would receive payments in return for leasing its riverside parkland to TRPC for 30 years, provided water flows stayed above specified minima. Presumably, any risk of secularly lower water flows would be borne equally between PUI, Shaman and Trent University.

As argued above, it is very probable that the TRPC project would be swiftly followed by a revival upriver of the scheme by CHDI, or a water rights successor, around Dams 24 and 25, as its unsubsidized 1990s project were transformed by the equivalent of handsome subsidies for TRPC. CHDI's original scheme involved one powerhouse fed by a long water storage canal. Shortly before CHDI retreated, it changed its plan to two western-shore-based powerhouses, one at each dam, each with a maximum capacity of 2.9 megawatts, for a total of 5.8 megawatts. Their theoretical non-stop year round operation would have yielded an annual output of 50,805 megawatt hours. Their actual output would have been 35,186 megawatt hours, which would have represented 69.25% of capacity. The whole facility, including two much shorter canals, would have had a 100-year life expectancy.

TRPC's project is not essential. Alternative energy is available at the margin at little more than half of TRPC's cost of production. New micro hydroelectric plants (that is less than 10 megawatts), according to Ontario's power planning authority, are a very small (but well publicized) part of the answer to Ontario's 15,000 megawatt excess of demand over supply by 2027, including withdrawal of dirty coal-generated electricity between 2011 and 2015. About 93% of Ontario's looming shortfall of supply is planned to be rectified by:

- nuclear;
- big hydro at Niagara;
- imports from hydro in Quebec and hydro and coal burning generators in New York State and Ohio;
- voluntary consumption constraint from smart meters and closer-to-free-market pricing,

etcetera; and

- natural gas.

The remaining 7% of Ontario's power shortage before remediation would come from solar, wind, bio-gas, and micro hydro alternative renewable energy, of which micro hydro would be not more than about 1 to 2 percentage points.

Ontario's new Standard Offer Program (SOP) has an incentive price to producers which so far in 2007 has been averaging much more than the free market price, which can be represented, in the opinion of Energy Probe, by the New York Independent System Operator market price. It averaged 6.564 cents Canadian per kilowatt hour (kwh) in the 12 months to April 2007. SOP encourages business to develop and wholesale renewable energy to the grid by simplifying regulatory hurdles and setting a fixed 20-year price, partially inflation-protected. The base price is 11 cents per kwh; those that can demonstrate they can operate a reliable 80% of the time during the peak hours of 11am to 7pm on business days will be paid an additional 3.52 cents per kwh of electricity delivered.

Supplementing SOP's 11 cents plus up to 3.52 cents per kwh would be the 1 cent per kwh subsidy of the federal ecoEnergy program, guaranteed for 10 years. A provincial claw-back capability reportedly halves this.

The effective SOP plus federal unit price works out to be about 13 cents/kwh. A web posting by Stoneleigh on February 15, 2007 on bio-gas, entitled "Anaerobic Digestion in Ontario - a Regulatory Obstacle Course", states that SOP's "overall price still averages out at only about 12.5 cents per kwh ... under the provincial SOP contract, the provincial (government) is able to claw back half of (the federal 1 cent/kwh ecoEnergy) ... incentive". This adds up to 13 cents per kwh.

The projects that SOP has approved so far are mostly in solar, wind and bio-gas. The TRPC scheme is among the applications not yet approved.

In an April 19, 2007 letter to Peterborough's Committee of Adjustment (in the land use area), TRPC President Robert Allen noted " Without support through programs such as the Ontario Standard Offer Program and the proposed ... (federal) Eco-Energy Program ... (with its 1 cent per kwh subsidy), many rivers and streams would never be developed because the financial return on such projects would not make them viable. As part of the Environmental Screening Process, TRPC looked at four alternative configurations. While each of the configurations had pros and cons, only the proposed configuration was found to be feasible after considering all the relevant technical, economic and environmental factors. Ultimately, if the proposed configuration is not approved through all steps of this endeavor, the renewable resource potential at Dams 22 and 23 will not be developed".

The least financially attractive alternative, but most environmentally attractive, is numbered three in the Environmental Screening Report. It would involve no canal, two low-slung power houses, each being built into the centre of refurbished Dams 22 and 23, double the number of turbines, and coffer damming and dredging during construction. It would involve capital expenditures being revised up by 75% from \$25 millions to \$43.75 millions, current expenditures being revised up from \$0.750 millions to \$1.313 millions and revenues being revised down by 15% from \$3.9 millions to \$3.315 millions. There would be no dividends or lease payments, because revenues less disbursements would be revised in a negative direction from profits of \$0.735 millions to a loss of \$0.995 millions.

SIMULATION OF TRPC PROJECT FINANCES

The financial viability of TRPC's project, in a simple sources and uses of funds sense, can be approximated by its gross revenues minus disbursements, discussed in the previous conclusions section of this memo. Fund uses and sources are of course determined by the volume of water flow and hence TRPC hydroelectric output, as well as average output price, and its capital and current costs, including borrowing interest charges and the lease payment to Trent University.

The basic elements required for potential hydroelectric power are river flow and an available drop or "head" through which hydraulic energy can be converted into electrical energy. With an available head (H) of 6.54 metres, an average volume of water flow (Q) of 154 metres per second, an average efficiency (e) of 81% and gravity acceleration (g) of 9.81 metres per second per second, the potential electrical power (P) equals e times g times H times Q. In other words, $6.54 \times 154 \times 0.81 \times 9.81$ equals 8,000 kilowatts (rounded).

Actual power output can be less than theoretical potential because of the less-than-100% take-up of power by the provincial grid. TRPC in 2006 estimated 34,000 to 30,000 megawatt hours. The Ontario Water Power Association's 2007 brief to TSW cited TRPC's yearly output at 30,000 megawatt hours.

The range in this critical aspect of financial due diligence needs to be narrowed and resolved credibly by an expert and communicated transparently to the public, without whose support and taxes the scheme would not ultimately occur. Maybe the 30,000 megawatt hours per year represents strategically cautious guestimates of greater water demand upstream and/or a drier TSW watershed, and/or gradually leakier TSW dams. Let's use the 30,000 estimate as the base line, even though it represents a curious 42.86% of a theoretical maximum output of 70,800 megawatt hours from turbine capacity of 8 megawatts running year round.

TRPC indicated at the recent Ontario Municipal Board Hearing that TRPC had in 2006 boosted planned maximum turbine capacity from 6 to 8 megawatts, because Ontario's new SOP had in effect increased the output price from the free-market import-competing price of about 6.5 cents per kwh to (a taxpayer-subsidized) 11 cents per kwh.

Let's heroically assume an average 13 cents/kwh producer price for 30 years, with zero inflation; a continuation of the federal ecoEnergy program between years 11 and 30; a continuation of the SOP guarantee between years 21 and 30, and SOP sticking to its guns re no retroactivity for any price changes in the future.

This would peg TRPC gross revenues yearly at \$3.9 millions.

Each 1 cent per kwh change in price would be worth \$0.3 million on annual output of 30,000 megawatt hours.

In this scenario, each 1,000 megawatt hours increase in yearly output would be worth \$0.130 millions. This could hypothetically occur from strategic upward revision to forecast output and/or improved water flow modelling and/or quarries etc being pressed into service for snow melt storage (at whose cost?) for more seasonally-even release. Water flows are of course above average in the spring and fall and below average during winter and summer.

The taxpayer-funded subsidy, represented by 13 cents per kwh less the free market price of 6.5 cents, equals 6.5 cents per kwh which, multiplied by the estimated output of 30,000 megawatt hours, equals \$1.95 millions every year. (A revival of the CHDI scheme upstream would roughly double this subsidy to nearly \$4 millions a year). In this context, as the Asian Development Bank for example points out, "a subsidy is created when, as a result of public policy, the price received by the producer is increased above what it would otherwise have been in the absence of the policy ... Subsidies affect the fiscal performance of the government through its expenditure and taxation functions, and budget deficits ... financed through increased borrowings ... The decision whether budgetary resources are better spent on electricity subsidies as opposed to, for example, health, education or other (societal) services is a political one and an important governance issue".

From the above scenarios of TRPC gross revenues, one subtracts \$3.165 millions in yearly disbursements with the following three components:

- the mortgage principal and interest on TRPC's \$25 millions capital cost amortized over 30 years at an interest rate of 7.25% for monthly blended payments of principal and interest cumulating to \$2.05 millions yearly. Capital was first estimated by TRPC at \$19 millions, but subsequently boosted to \$25 millions, partly or totally because of the extra two megawatts in planned turbine capacity. Each \$1 million change in capital cost at a 7.25% borrowing rate is worth \$0.08 million in principal and interest. TRPC's current capital cost estimate of \$25 millions is below the \$32 millions to \$56 millions that 8 megawatts would cost under Ontario's SOP rule of thumb of \$4,000 to \$7,000 per kilowatt. Is this a result of the provision of dams paid for by taxpayers through TSW and the closer-than-usual proximity of the interconnection to the provincial grid just south of Trent University?

- \$0.368 million in TRPC annual lease payment to Trent University, assumed to equal the dividend to each of PUI and Shaman.
- An independent engineer's analysis of CHDI's project, gauged annual operating expenditures at 3% of capital expenditures. For TRPC's \$25 million capital cost, this would total \$0.75 millions per year - seemingly high, were it not for:
 - non-trivial up-front expenses for regulatory Hearings etc. Such expenses in the US thwart any micro hydro power projects below 5 megawatts;
 - possible inclusion of a TRPC payment for TSW water; and
 - the probability of repeated landscaping expenses for the shoreline path and the dumps of blasted-out limestone and thousands of tree roots in a drier environment where the disappearing verdancy of cedars and other vegetation would depend on rainfall and river water alone without underground downhill water flows, which would now be diverted south by the westernmost waterproof canal wall.

Let's assume no taxes for the time being.

This scenario leaves us with gross revenues of \$3.900 millions less disbursements of \$3.165 millions for distributable cash of \$0.735 millions annually, which would represent only 2.94% of \$25 millions in capital. Distributed equally between PUI and Shaman, profits of \$0.735 million would leave dividends of \$0.368 millions to each annually. This is assumed the same as the \$0.368 million yearly lease payment to Trent University.

Without the subsidy of \$1.950 millions yearly, the annual loss in this scenario would be \$1.215 millions.

Obviously, TRPC hopes that the SOP components of its price will be safeguarded by its application to SOP being approved by the April-November 2008 period when SOP is reputedly scheduled to close access. Other crucial TRPC optimism has to include:

- output higher than 30,000 megawatt hours per year, because of more finely honed TSW water flow management and new reservoir storage, both presumably at taxpayers' expense, and no secular decline in precipitation in the TSW watershed or more effective demand for water by others;
- TRPC achievement of higher average prices from, say:
 - no Ontario clawback of half the federal ecoEnergy subsidy of 1 cent/kwh, and/or

- from SOP for greater assurance and delivery of peak hour energy and partial inflation proofing;
- capital costs not going above \$25 millions, say into the \$32 millions to \$56 millions range; and
- current costs lower than 3% of capital cost because of stable or lower interest rates, no TSW water charges and no extra landscaping expenses, etc.

* Goodith Heeney is a long-time resident of Peterborough and Hospice activist for the care of the dying, children's mental health (Kinark) and church outreach. She was married to Brian Heeney, who became a Vice-President of the University. They with their growing family lived in Trent University's Champlain College during the early 1970s. They cherished the lovely Otonabee River shoreline to the north.

Bruce Lister has lived in Peterborough for nearly two years. He and Goodith are married. He is a retired economist (Hons BA Toronto and MA Carleton) who worked for three years in the Economics Department of the Bank of Nova Scotia in Toronto, then for over 30 years for the federal Department of Finance, chiefly in Ottawa, first in debt management mechanics and international financial liaison. Then, for two decades, he chaired a federal-provincial technical committee that reported semi-annually to Finance Ministers on an information exchange on the revenues and expenditures of the federal government and each province and territory with their local governments, revising two years back and looking one year ahead. This fiscal information was on common accounting and consistent economic bases. Other work of the team he headed included pioneering the computerization on a time series basis of the large equalization program, so that one could, for example, quickly simulate the financial impact of oil price changes. In retirement, Bruce Lister's activities have included volunteer jobs for the Consumers Association of Canada, testing the lower Gatineau River for swim water quality, and heading the environmental group Friends of the Gatineau River. He walks or skiis with their dog up the western side of the Otonabee north of Champlain College at least once a week year round.

City of Peterborough Committee of Adjustment

RE: B04/07 – Part of 3800 and 3810 Water Street

This severance application arises because the Trent Rapids Power Corporation is planning a for-profit hydroelectric project and believes it requires a canal on or about the subject lands.

Many members of the community who oppose the aspect of the project that involves a large canal and a power house, myself included, see great value in low-head hydroelectric power generation. It is disingenuous and misleading for proponents of the project to dismiss those opposed to the development and opposed to the severance, as simply naïve tree huggers.

A major concern is that utilization of public resources for profit carries with it the obligation of transparency, an obligation the proponent has failed to fulfill.

Before any reasoned and informed decision can be made the full details must be disclosed in a fashion so as to allow a full and independent evaluation of the facts by the public. Trent Rapids Power Corporation has failed to fulfill that obligation.

Similarly, current federal and provincial announcements and studies need to be considered and integrated, which they have not.

A few points need to be made which are demonstrative of why the application must be denied:

1. The hydroelectric project has not been subjected to a full environmental assessment, but rather to the lesser standard of an environmental screening. The proponent has not made it clear to the public that the lesser standard has been applied to this project. For this reasons, as well as reasons stated very well by others more knowledgeable in such matters, a full environmental assessment is required prior to granting any approvals.
2. Trent Rapids Power Corporation's environmental screening, such as been made available to the public, relies in part upon data provided by Phil Niblett of Niblett Environmental Associates (NEA). The City staff comments on this application state "*The Environmental Screening Report details impacts on water quantity, aquatic features including fish and invertebrates, terrestrial environment, which includes vegetation, wildlife and hydrology, and outlines mitigation measures.*"

Although it is common knowledge that Trent University stands to gain financially from the hydroelectric project, it has not been disclosed that Mr. Niblett is a recurring contract employee of Trent University.

This creates, at minimum, the perception of a conflict of interest which detracts from the viability of the data upon which Trent Rapids Power Corporation and City Staff rely.

When public resources are utilized for profit the process must be devoid of conflict of interest, real or perceived. This standard has not been met.

3. The hydroelectric project may be in conflict with two recent federal initiatives. Trent Rapids Power Corporation must not be given permissions which might allow it to irrevocably alter the landscape (eg: build a canal and powerhouse) prior to clearly understanding how these initiative affect the lands as they now are.

One federal initiative is a private members' bill proposed on June 12 2006 to evaluate the future of the historic Trent-Severn Waterway, "one of Parks Canada's National Historic Sites, and its potential to become a premier recreational asset, a world-class destination for recreational boaters, a source of clean, renewable electrical power, a facilitator of economic opportunity and renewal in the communities along its 386 km length and a model of environmental sustainability."

A second federal initiative was announced on March 14 2006 when Prime Minister Stephen Harper pledged \$225-million in federal funds to preserve ecologically sensitive lands from development.

Both federal initiatives may preclude the Trent Rapids Power Corporations development as it now stands, including this severance.

At minimum the existence of these initiatives provide ample reason to delay any approvals. It would be an error, and premature, to move a step closer to allowing the development to take place by approving the severance in view of these initiatives and their implications.

4. The option of placing turbines in the dams would have minimal impact on the existing landscape and would produce, I am told, almost the same power. This option has been summarily dismissed by Trent Rapids Power Corporation on the basis that it is too expensive but has failed to justify that to be a viable conclusion.

All too often “too expensive” simply means “reduced profit” but profit nonetheless.

When dealing with the use of public assets for profit it is incumbent upon public guardians assure that the public benefit is not sacrificed on the altar of increased profitability for a corporation.

Neither a comprehensive Cost Benefit Analysis nor a Value Engineering Analysis of hydroelectric generation options has been performed by certified firms. In the absence of demonstrating, transparently and conclusively, that the proponent’s current option is the most viable and in the public interest, approvals for the application at hand must not be granted.

The conclusions of a comprehensive Cost Benefit Analysis and Value Engineering Analysis may very well prove that in-dam turbines to be the most viable option.

For the above stated reasons, together with submissions of other opponents, the application must be denied.

Respectfully submitted,

Ken Brown

554 Bolivar Street
Peterborough, Ontario, K9J 4R8
April 26, 2007

To the Committee of Adjustment of the City of Peterborough

RE: B04/07 - Hearing Scheduled for May 1, 2007

The application for severance B04/07 is made on the basis that the land is the subject of a lease needed by Trent Rapids Power Corporation (TRPC) to allow it to develop a hydroelectric generating facility¹.

The application should be rejected by the Committee because it is inconsistent with the language and the intent and purpose of numerous policies found in the City of Peterborough Official Plan (O.P.), the City's Zoning By-laws and the Provincial Policy Statement (2005).

I am not a planning expert. I am a concerned resident who has become interested because there appears to be pressure to expedite approval of this application without subjecting it to the tests of compliance with our Official Plan, Zoning By-Laws and other relevant policies.

No application should be "fast-tracked" particularly one involving a development of this size and scope, and one which has prompted many residents to express their concerns and respond in opposition. Planning policies must not be dismissed or minimize as merely "environmental concerns". Many of the Official Plan policies could be characterized as environmental concerns. If we ignore planning policies or take wide liberties with planning policy language we may as well not have planning policies at all.

The application before you must be evaluated on its merits in respect to the City's Official Plan and Zoning By-Law. The public expects, and needs to be assured, that any application is examined thoroughly, openly and with due diligence with regard to compliance or non-compliance with specific planning policies and by-laws, as the Committee is required to do. If it is determined that the application is inconsistent with policies and by-laws then it must be rejected. If it is determined to be consistent with, and not contradictory to, policies and by-laws then approval may be granted.

By adjourning the application until May 1 the Committee of Adjustment has provided interested parties with the opportunity to further contribute to the process of evaluating this application.

I wish to bring to your attention specific planning policies which may assist to guide the Committee and to which this application must conform in order to be granted. I believe the points to be deserving of your consideration. Further, I believe your analysis of the points I raise will lead you deny the application on the basis of being inconsistent with Peterborough's land use policies.

With nowhere near the considerable resources the proponents have available to dedicate to furthering their objectives the public is at a distinct disadvantage when in opposition. I thank you for taking the time to review this submission.

1. Policies that guide Committee of Adjustment

With respect to decisions of the Committee of Adjustment on applications the Official Plan policy 9.3 - Committee of Adjustment² is clear [emphasis added];

9.3.1 Council shall maintain a Committee of Adjustment in accordance with the provisions of the Planning Act.

9.3.4. The Committee may give a consent provided that the Committee is satisfied that a plan of subdivision is not required for the proper and orderly development of the municipality. The Committee shall be guided by the policies set out in this Plan as well as other relevant policies on land development approved by Council.

The other relevant land development policies approved by Council which guide the Committee would be the Zoning By-law. To my knowledge there are no secondary land use plans or additional relevant council-approved policies applicable to the subject lands.

The Committee shall be guided by the Official Plan regardless of whether or not members personally support the idea of the proposed hydroelectric generating project.

The applicant's lawyer Mr. Tom Barlow was in error when, on April 3, he told the Committee its job was to focus only on the proposed lease and not to make a decision based on the "environmental concerns" expressed by residents in opposition to this application for severance³. Many Official Plan policies and Zoning By-laws might be categorized as environmental concerns and still the Committee must be guided these policies and cannot ignore them as Mr. Barlow suggests. Mr. Barlow did not specify which policies he relies upon to support his assertion, an assertion which is clearly contrary to 9.3.

There is merit in Mr. Barlow's suggestion that the proposed lease⁴ be a subject of focus for the Committee, but not "the" focus. Unfortunately it is impossible to focus on a document the proponent will not disclose for examination in this public process (other than to acknowledge it is in excess of 21 years). Don O'Leary, Trent's Vice President, is reported⁵ to have told the Committee that the lease will be made available "In due course, when it's appropriate, that information will be made available to the public".

I am sure the Committee is as perplexed as I am in wondering what the lease might contain that the proponents have determined is not suitable to reveal now, during this public process, but the proponents have determined is suitable to be revealed at some unspecified future date when they believe it to be appropriate in their eyes.

One cannot help but conjecture that there must be something in the lease that the proponents fear the public will not accept or support and which must best be hidden from view until such time as public knowledge of same cannot pose a threat to the proponents' interests. With respect, it seems that the only purpose in keeping the lease secret is to hamper the public's ability to fully participate in the planning process.

2. Intended use inconsistent with Official Plan policies

Citizens of Peterborough and beyond rely on the policies of the Official Plan which reflect the values of the community through policy statements.

With the updating of the City of Peterborough Official Plan Open Space Policies and Zoning By-law in 2000 land use practices and expectations were codified in policies which must be respected by all and which shall guide the Committee. Official Plan policies and expectations for land use may be amended only by going through a full public process to ensure that the proposed change or development is in keeping with the values of the Community. Policies are not supposed to be altered through the creative stretching of policy language or the invention of interpretations of policy language which are clearly and demonstrably inconsistent with the language itself or the intent and purpose of the language. What value do the Official Plan policies and Zoning By-laws hold if they are applied ad hoc?

The subject property is designated "Major Open Space" by Schedule "A" - Land Use of the Official Plan, identified as "Natural Area" by Schedule "C" - Natural Areas and Floodplain.

O.P. policies describe a strategic approach to land use planning which protect from incompatible development a system of interconnected and physically linked open space and parkland in which the natural environment along the course of the Otonabee River is maintained. These policies apply to the subject property and the proposed development is inconsistent with these policies.

Section 2.1.10⁶ specifically reflects the community's values for the riverside land as part of a connected system of parkland and states;

The shoreline of the Otonabee River and Trent Severn Waterway, supplemented by other key regional and community park areas, shall be set aside as the City's Major Open Space Areas. ... Special emphasis shall be placed on ensuring the continuity and accessibility of a connected system of parkland throughout the City of Peterborough.

O.P. Goals and Objectives policy 2.1.4⁷ states;

Maximum effort should be made to preserve, protect and enhance both the natural and the urbanized landscape...

O.P. Major Open Space policy 4.5.2.5 - Land use⁸ describes the expected use of lands designated Major Open Space. A "hydroelectric power facility" and a "canal" are not permitted uses in this designation, were not uses contemplated in this designation, and are not uses complementary to the open space system. Although development is recognized and may be expected in relation to the Otonabee River in the area of the Central Business District, there is no provision in the Official Plan for the type of development that would be fostered by the application before the Committee of Adjustment.

The development of a hydroelectric generating facility is completely inconsistent with the context of permitted uses and must be considered contradictory to the intent and purpose of 4.5.2.5.

The allowable uses of land designated Major Open Space in 4.5.2.5 is further augmented by the requirement that;

An Official Plan amendment is not required to recognize existing uses established within lands designated as Major Open Space or to expand an existing non-conforming use or establishment provided that it can be demonstrated that the expansion will not compromise the objectives stated under policies 3.3.3, 4.5.2.2 and 4.5.2.3.

Major Open Space policy 4.5.2.2⁹ - Primary Objective states;

A connected system of open space is the primary goal of lands designated as Major Open Space... It is the intention of the Official Plan to preserve areas designated as Major Open Space and identified as Natural Areas, from incompatible development and where feasible, integrate such areas within the City's network of parks and open space as stated under Policy 6.2.1.¹⁰

Major Open Space policy 4.5.2.3 - General Objectives is worth repeating in full;

4.5.2.3 General Objectives

Council may designate lands as Major Open Space or seek to acquire lands with the Major Open Space designation to fulfill the following objectives:

- 1) to establish a physically linked network of open space within the urban environment;
- 2) to maintain the integrity of the natural environment along the Otonabee River, Trent Canal and their tributaries as the backbone of a linked, network of open space within the community;
- 3) to complement development of the urban environment with publicly accessible open space, natural areas and parkland for passive and active recreation activities;
- 4) to protect natural areas that contribute to the quality of life in an urban environment and foster an attractive image of the city for tourism and economic development purposes;

The subject property is recognized as a part of a "System of Open Space" described under O.P. policy statement 4.5.1 - Open Space System¹¹;

The Open Space System is comprised of the lands designated as Major Open Space shown on Schedule A, as well as the Natural Areas shown on Schedule C. The two schedules are to be considered together as the framework upon which the provision of a linked system of open space and public parkland throughout the city is to be based.

O.P. policy 4.5.1.3 - Preservation/Conservation¹² specifically describes the purpose for such land as an opportunity;

To maintain and improve a healthy natural environment within the urban setting by protecting and preserving those features considered to be a part of the natural heritage of the community.

The subject property is identified as a Natural Area described in policy 3.3.1¹³. Natural Areas policy 3.3.3 - Objectives is worth repeating in full;

3.3.3 Objectives

- 1) Provide opportunities for the protection of natural areas, which in the view of Council, have local or regional significance or value in complementing the urban environment.
- 2) Provide opportunities for the use of natural areas for the purposes of environmental education and nature based recreation.
- 3) Provide a linear system of green space linking natural core areas to support ecological functions and facilitate self powered forms of transportation.
- 4) To reduce the risk of damage to property due to flooding or unstable soils by permitting only appropriate expectations

The Major Open Space and Natural Areas Policies were formulated through an extensive public process and were approved by Council in the fall of 2000. The policies formed an expression of the values of the Community in preserving Natural Areas of local significance. These policies were intended to establish *and maintain* a physically linked network of open space within the urban environment and to maintain the integrity of the natural environment along the Otonabee River as the backbone of a linked network of open space within the community. To my knowledge there has never been a challenge to the designation of the subject lands.

The subject land has a traditionally been used in a manner consistent with the development of a system of interconnected and physically linked open space and parkland in which the natural environment along the course of the Otonabee River has been maintained for use by all.

This land use was recognized when Trent University was created and lands were acquired, including the subject property, through purchase, donation and expropriation in the early 1960's. The Trent University Board of Governors told the public the "*University sees the Otonabee campus as a continuation of the beautiful river parklands of the City of Peterborough, available for the pleasure of the citizens of the community as much as for the members of the University.*" A University press release¹⁴ dated March 5, 1964 stated;

The President said that, in making plans for the University lands, the Campus Planning Committee and Board of Governors had kept very much in mind the needs of Peterborough and the surrounding communities as well as the needs of the university. The University sees the Otonabee campus as a continuation of the beautiful river parklands of the City of Peterborough, available for the pleasure of the citizens of the community as much as for the members of the University. The campus will be landscaped to preserve its natural beauties, he said, and the public will be welcomed in the University precincts to share these beauties.

The Trent Board confirmed it understood and embraced the community's expectation of land use. Subsequently these expectations were respected in practice and further codified by the updating of the City of Peterborough Official Plan Open Space Policies and Zoning By-law in 2000, and without objection from the Trent Board.

The Committee must determine if the development for which the severance has been requested is consistent the above mentioned policies and other relevant O.P. policies.

City staff have come to the conclusion that the proposed hydroelectric generating facility is compatible with the Major Open Space designation. To support that conclusion staff appear to have subjected the application to only a cursory examination of a very limited number of

policies and rely primarily upon O.P. 3.1.1. The City staff report did not discuss the policies noted above.

The staff reports suggests the proposed facility is compatible with a Major Open Space designation. Even though a hydroelectric power facility and canal are not identified as permitted uses the staff report says these would be allowed under policy 3.1.1. The report quotes the policy 3.1.1;

In all areas on Schedule “A” and Schedule “I” public parks, playgrounds, playfields, schools, public and; private utility installations such as sub-stations, switching terminals etcetera and other public, institutional and quasi-institution uses which provide services directly to all properties in the City or to the immediate neighbourhood shall be permitted, provided:

- a) that such use is necessary or essential; and
- b) that installations are or can be made compatible with adjacent properties and the neighbourhood.

A sub-station or switching terminal might be something like a transformer, or several, on a concrete pad surrounded by a chain link fence similar to what we see at the north end of the Wenonah property (now part of Riverview Park), or it might be disguised to blend in to the surroundings perhaps looking like a house similar to what we see at Wallis and Parkhill or behind Ed’s Music at McDonnell & Park. Such installations are typically under ¼ acre in size. These are examples of developments that can reasonably be expected to be allowed under 3.1.1. The word “etcetera” is used in the policy to capture other unspecified things of the same sort or class of development that might have been mentioned, but for brevity were omitted. “Etcetera” captures similar developments; additional odds and ends, as it were.

In stark contrast the proposed hydroelectric generating facility and canal is markedly different from the class of development envisioned in 3.11. The scale of the proposed hydroelectric generating project is significant and should be put into perspective. The project does not use the natural run of the river but requires a man-made canal 1.2 km in length to divert river water from its natural course. The length of the canal is roughly equivalent to walking from Parkhill Road to Simcoe Street along George Street. The canal has dykes up to 8 m in height and 75 m wide. That’s about 26 feet high, roughly the height of the eaves of a two storey house, and 82 yards wide, more than ¾ of the length of a soccer field. The project comprises some 24.5 acres of land, which is 40% larger than the new Walmart property on Chemong Road (parking lot and building occupy 17.2 acres). The canal will be topped with a 5 foot height chain link fence.

In essence the staff report concludes that a development like the one proposed is similar to the examples of private utility installations such as sub-stations and switching terminals when the scale and nature of this hydroelectric power facility and canal development is plainly not in the least bit similar. To suggest similarities is a huge stretch of context. A power generation development involving a 1.2 km long canal next to the river was never contemplated by this policy and the staff report fails to provide evidence that it was.

The staff report is suggesting the class of development proposed by TRPC is consistent with 3.1.1 because the word “etcetera” is intended to allow such developments. If a project of this size and nature were to be interpreted permitted under “etcetera” in 3.1.1 then it begs the question what development would not be allowed? To suggest this hydroelectric generating project was

envisioned by “etcetera” is to suggest any development would be similarly allowed. The absurdity of considering a hydroelectric generating facility and 1.2 km canal to be a class of development envisioned by “etcetera” is that by this same logic a nuclear electricity generation facility would also be allowed.

The argument that the proposed hydroelectric generating facility and canal can be considered an allowable land use under 3.1.1 is unlikely to be upheld by the O.M.B.

The staff report refers to the existence of four hydroelectric generating stations along the Otonabee River which are located on lands designated Major Open Space to demonstrate such developments are consistent with this designation.

The four hydroelectric generating stations pre-date the Official Plan and Zoning By-Law and thus are more properly considered legal non-conforming rather than examples of the type of new development citizens anticipate and expect to see in Major Open Space and Natural Area lands. The proposed facility is of a scale and nature considerably different from and larger than the existing generating facilities.

The staff report also cites the recent expansion of the City Water Filtration Plant at the Riverview Park which is located on lands designated Major Open Space as an example of how the proposed hydroelectric generating development is consistent with the land use designation.

It is, however, plainly evident that the Water Filtration Plant expansion bears no similarity whatsoever to the proposed facility. The Filtration Plant expansion did not alter the run of the river, the views from the road and river were not altered, the area remains a park and public access has not been curtailed, the buildings are subtle, integrate form and function in a manner that is harmonious with the surroundings and are constructed in an extremely unobtrusive manner in keeping with our built heritage. The expansion of the Filtration Plant did not remove almost 25 acres of riverside property from public access.

The proposed development will generate power to sell back to the grid it is therefore the benefit of the project to the City or immediate neighbourhood is by no means certain. It has not been demonstrated that the use is “necessary or essential” or that it “can be made compatible with adjacent properties and the neighbourhood.”

In my opinion the staff report fails to adequately demonstrate that the proposed hydroelectric power facility and canal can in any fashion be considered justified under 3.1.1 or that such a development was ever contemplated by this policy.

3. Zoning does not permit intended use

The property is zoned University College (UC) and the permissible activities are listed in Section 23 of the Zoning By-law¹⁵.

It is patently clear that use of this land for a canal and power generation plant is not permitted by the zoning district. Moreover, such a use would not have been anticipated by people who chose to live or own land in close proximity to the subject property.

The application should be rejected on the basis that the zoning does not allow for the intended use and such use would require a zoning change.

The staff report concludes that the project does not require any further specific land use approvals because the Trent Rapids Power Corporation is exempt from the provisions of the Zoning By-law. To support that conclusion staff rely upon Section 6.1 of the Supplementary Regulations of the Zoning By-law - the exemption provision;

CITY and P.U.C.

6.1 None of the provisions of this by-law shall apply to prevent the use of any land or the erection, alteration or use of any building as part thereof for the lawful purpose of the Corporation of the City of Peterborough or The Peterborough Utilities Commission

The exemption provision states with complete, unambiguous and definitive precision the entities which may enjoy an exemption from the provisions of the by-law to be the Corporation of the City of Peterborough and the Peterborough Utilities Commission. No other entity is identified or implied.

Trent Rapids Power Corporation is a separate legal entity, a Corporation the shares of which are owned, in unknown proportions, by Peterborough Utilities Inc., and Shaman Power Inc., of Toronto. TRPC is not the City. TRPC is not the PUI.

The staff report asserts 6.1 extends to TRPC on the basis that the PUI has an ownership interest in it. But the exemption provision cannot apply to TRPC because that is not what 6.1 says.

The policy clearly does not state or imply it is applicable generally to any corporation in which either the City or the PUI have an ownership interest, nor does it state that it applies specifically to Trent Rapids Power Corporation. There is no ambiguity in the language. It is absolutely clear that 6.1 limits the exemption only to the City and the PUI and to no other entity.

To suggest that the exemption applies to TRPC on the basis that the PUI has an ownership interest in that corporation is to misinterpret clear language. Such an interpretation suggests that the exemption is applicable to any corporation the City or the PUI might hold shares in. By extension of this logic General Electric could expect to call on the exemption clause wherever zoning is inconsistent with its intended land use if the City or PUI held shares in the corporation. It is unlikely the O.M.B. would uphold an interpretation that 6.1 extends beyond the City and PUI to addition unspecified legal entities generally and to TRPC specifically.

If any party wishes to alter the language of 6.1 to expand its applicability to other entities not currently specified then there is a public process available through which to try to achieve that.

The application should be rejected on the basis that no policy grants an exemption from the zoning requirements to Trent Rapids Power Corporation or to any corporation that the City or the PUI have an ownership interest in.

4. Inconsistent with Provincial Policy Statement (2005)

The Provincial Policy Statement (2005) is another document which may inform the Committee with respect to any decision it may make. Part I - Preamble of Provincial Policy Statement states:

The Provincial Policy Statement provides policy direction on matters of provincial interest related to land use planning and development. As a key part of Ontario's policy-led planning system, the Provincial Policy Statement sets the policy foundation for regulating the development and use of land. It also supports the provincial goal to enhance the quality of life for the citizens of Ontario.

The Provincial Policy Statement provides for appropriate development while protecting resources of provincial interest, public health and safety, and the quality of the natural environment. The Provincial Policy Statement supports improved land use planning and management, which contributes to a more effective and efficient land use planning system.

Part II - Legislative Authority of the Provincial Policy Statement states that in the exercise of any authority under the Planning Act decisions shall be consistent with policy statements;

The Provincial Policy Statement is issued under the authority of Section 3 of the *Planning Act* and came into effect on March 1, 2005. It applies to all applications, matters or proceedings commenced on or after March 1, 2005.

In respect of the exercise of any authority that affects a planning matter, Section 3 of the *Planning Act* requires that decisions affecting planning matters "shall be consistent with" policy statements issued under the Act.

In other words, the Committee of Adjustment has to be guided by the Provincial Policy Statement in rendering a decision in a matter before it.

Sections 1.8.2 & 3¹⁶ of the Provincial Policy Statement states that it is in the Provincial interest to increase energy supply by promoting renewable energy systems where feasible. Renewable energy systems shall be permitted in "settlement areas". Peterborough has four hydroelectric generating facilities within the City limits today. These pre-date both the Provincial Policy Statement and the Official Plan. Peterborough Utilities Incorporated (PUI) owns and operates two of the four hydroelectric generating stations.

Provincial Policy Statement 1.6¹⁷ addresses infrastructure and public service facilities and speaks to the co-ordination of the timing of development of such facilities. Particularly relevant to this application is Policy 1.6.2 which states;

The use of existing *infrastructure* and *public service facilities* should be optimized, wherever feasible, before consideration is given to developing new *infrastructure* and *public service facilities*."

Under the Provincial Policy Statement an electrical generating station would be captured in the definition¹⁸ of "infrastructure" and a dam could be captured in the definition¹⁹ of "public service facility".

In accordance with this policy the efficiency of all existing hydroelectric power facilities within the City should be optimized before consideration is given to investing in, and developing, new infrastructure. That optimization could take many forms inclusive of, but not limited to, upgrading the existing generating equipment to take advantage of modern and efficient hydroelectric generation technology.

The project to replace the 100 year old turbines in the Stan Adamson power plant owned and operated by Trent University and within the City is consistent with the Provincial Policy Statement. To forge ahead to build new hydroelectric generating infrastructure, as is the objective of this application, without the City/PUI first having upgraded the existing hydroelectric generating infrastructure it owns and operates is inconsistent with the Provincial Policy Statement.

The use of the existing dams for power generation by locating generating equipment in those dams is technically feasible and to do so would also be consistent with Provincial Policy Statement 1.6. The proponents reject this option entirely, in large part apparently because the dams are in need of maintenance. Therein lays the opportunity to combine, or even create, funding initiatives from other levels of government to refurbish the dams together with a power generation project, and that would be consistent with Provincial Policy 1.6.

It appears opportunities for optimizing existing hydroelectric power facilities and opportunities to refurbish the dams together with a power generation project have not received consideration consistent with the Provincial Policy Statement.

The PUI has already embarked upon the development of new infrastructure, as is evident by this application, and to my knowledge have not demonstrated compliance with Provincial Policy Statement 1.6 which requires it to first optimize existing infrastructure and public service facilities.

The proposed development is inconsistent with the Provincial Policy Statement and “the *Planning Act* requires that decisions affecting planning matters shall be consistent with policy statements issued under the Act” which would include decisions by the Committee.

5. Memorandum of Understanding not relevant to application (City By-Law 05-146)

The City staff report notes that the hydroelectric project was recognized in the 2005 Memorandum Of Understanding between the City and Trent University (MOU)²⁰. In my opinion the MOU does not bind the City to supporting this specific project and it does not offer any guidance relevant to the application before the Committee.

Members of the Committee of Adjustment may wish to note that in consideration of the “Electrical Generation Project” neither by-law 05-146 nor the MOU oblige the City of Peterborough to support any project option including the one currently proposed. In fact Schedule 1²¹ of the MOU is significantly different from the proposed development and shows two separate potential locations composing the Electrical Generation Project and gives no indication of any canal or diversions of the river and neither are mentioned in the text.

The MOU is effectively irrelevant to any consideration to grant or deny this application and therefore should have no influence on the Committee's deliberations on this application.

6. Environmental Assessment (Screening Report)

The proposed hydroelectric generating project must meet the requirements of the federal *Canadian Environmental Assessment Act* (CEAA). Therefore the proponent must produce an environmental assessment. That assessment is the screening report. The project is not subject to the *Environmental Assessment Act* of the province of Ontario.

The scope of the environmental assessment is specified in the Federal Environmental Assessment Scoping Information which may be found in Appendix B of the screening report. The proponent is required to produce an environmental assessment which addresses all the matters set out in the scoping document.

The proponent has not been required to evaluate if the project is, or is not, consistent with the Peterborough Official Plan, Zoning By-law or other relevant land use policies. The scoping document does not require the proponent to evaluate if amendments to the Official Plan or Zoning By-laws are required in order for the project to proceed.

To the extent that the screening report (4th version) does not evaluate the project with respect to consistency with Peterborough's Official Plan or Zoning By-law it cannot be criticized for failing to do so.

But the screening report does address Peterborough's land use and planning policies and does so in a most superficial and inaccurate manner.

The report inaccurately refers²² to Major Open Space as simply Open Space (3.1.11.5), wrongly identifies the canal and powerhouse as being on the east side of the river (7.7), incorrectly refers to the Country of Peterborough, and wrongly states the County of Peterborough Land Division Committee must approve severances of the lands within both the Township in the City (7.9) while at the same time failing to even mention the zoning of the subject property does not permit the intended use.

An environmental assessment report is expected to be accurate and to be prepared with attention to detail. Readers must not be left to make assumptions that certain words or phrases carry meanings different from what actually appears in the report. With specific regard to the comments relating to Peterborough's land use and planning policies the report falls well below the standard of care expected of such a document.

Most important to the Committee is that the screening report states, not once but twice, that "No rezoning or amendment to the City's Official Plan are necessary" (3.2.1 & 7.7). But the report makes those statements without discussion or presenting a single argument to explain why such a statement is justified. From the perspective of consistency with the Peterborough's Official Plan and Zoning By-law the report offers nothing more than the proponent's bald opinion.

The Committee of Adjustment cannot rely upon the report for guidance with respect to the Committee's deliberations on the merits of the application.

7. Official Plan and Zoning By-law amendments are required for project to proceed

The staff report concludes that amendments to the Official Plan and Zoning By-law are not required for hydroelectric generation development to proceed. That conclusion appears to be based on a most superficial analysis of land use policies and some reliance upon the bald opinions expressed in the proponent's screening report, and therefore the conclusion cannot be justified.

8. Summary

You, the members of the Committee, can read plain language and apply your intelligence and integrity to the application and, guided by the policies set out in this Official Plan, the Zoning By-law and the Provincial Policy Statement, decide for yourself if the intended development is, or is not, consistent with those.

You do not have to be a professional planner in order to review the matter in light of the Official Plan and the Zoning By-law to subsequently conclude that the proposed development is inconsistent with the language and the intent and purpose of both, and similarly to see it is inconsistent with the Provincial Policy Statement.

I believe you will find it extremely difficult to convince yourselves that the language of O.P. 3.1.1 really does intend the word "etcetera" to allow a development like a hydroelectric generation facility and canal. I believe that you will find it equally difficult to convince yourselves that the Zoning By-law exemption (6.1) extends to another legal entity other than the City or PUI on the basis that the City or PUI has an ownership interest in that entity. Even though the language does not support those conclusions the city planning report asks you to believe it does. The conclusions in the City staff report are wrong and do not provide the justification to recommend the Committee approve the application.

By having conducted such a review as you see before you I have concluded that the hydroelectric generating development is inconsistent with policies and will require amendments to the Official Plan and Zoning By-law in order to proceed.

The decision is your responsibility. I urge the Committee to thoroughly evaluate the merits of this application with regard to the points raised in this presentation and to make its decision, as it is required to do, in accordance with policies that guide the Committee. I believe you will come to the conclusion that the only logical decision is to deny the application.

It seems highly probable that whatever decision you make will be appealed to the OMB. The question for Committee members to consider is whether an OMB appeal is filed against a Committee decision which upholds, or disregards, the land use and planning policies Council has approved through the public process.

Respectfully,

[submitted electronically - a signed copy will be delivered to the Committee on or before the meeting scheduled for May 1, 2007]

Ken Brown

End Notes

¹ Trent Rapid Power Corporation has indicated in its screening report that the electricity generated by its proposed facility will be sold under the Ontario Power Authority (OPA) “Standard Offer Program” (SOP) which guarantees inflation-indexed pricing regime to purchase output from renewable energy sources under 10MW. The OPA “Standard Offer Program – Renewable Energy For Small Electricity Generators” identifies zoning as one of the municipal approvals required. SOP applicants must demonstrate they have site access and “*must either be the registered owner of the land or site in question, have a leasehold interest, have the written consent of the landowner or other access rights necessary to complete the proposed project.*” Among other things TRPC needs to represent it has satisfied any municipal Official Plan and Zoning By-law requirements and has fulfilled the site access requirements of the SOP (eg: land purchase, lease with Trent University) in order to qualify for the financial benefits of the SOP. For more information on the SOP see <http://www.powerauthority.on.ca/sop>.

² **9.3 COMMITTEE OF ADJUSTMENT**

9.3.1 Council shall maintain a Committee of Adjustment in accordance with the provisions of the Planning Act.

9.3.2 The Committee of Adjustment is an administrative agency which may authorize minor variance from the provision of any restricted area (zoning) by-law which in the Committee's opinion is desirable for the appropriate development or use of the land, building or structure, provided that in the opinion of the Committee the general intent and purpose of the restricted area (zoning) by-law and of the Official Plan are maintained.

9.3.3 The Committee may also grant the extension, enlargement or change of use of a non-conforming use as provided by the Planning Act provided the general intent and purpose of the Official Plan is maintained.

9.3.4 The Committee may give a consent provided that the Committee is satisfied that a plan of subdivision is not required for the proper and orderly development of the municipality. The Committee shall be guided by the policies set out in this Plan as well as other relevant policies on land development approved by Council.

³ “Hydro station lease decision stalled to May”, Peterborough Examiner, Wednesday April 4, 2007

⁴ In its Hydro Electric Development Proposal (July 7, 2005) sent to Parks Canada to satisfy the information requirements of the Dominion Water Power Regulations, TRPC says “From Trent University, approximately 10 hectares of land will be leased for a period not less than 40 years.”

⁵ “Hydro station lease decision stalled to May”, Peterborough Examiner, Wednesday April 4, 2007

⁶ **2.1.10** The shoreline of the Otonabee River and Trent Severn Waterway, supplemented by other key regional and community park areas, shall be set aside as the City’s Major Open Space Areas. A complementary programme to provide active and passive open space and recreation facilities shall be developed to prevent any deficiency in park area and to provide adequate recreation opportunities for the citizens of the City of Peterborough and for visitors to the City. Special emphasis shall be placed on ensuring the continuity and accessibility of a connected system of parkland throughout the City of Peterborough.

⁷ **2.1 Goals and Objectives**

Council adopts the following goals and objectives for the Corporation of the City of Peterborough:

...

2.1.4 Maximum effort should be made to preserve, protect and enhance both the natural and the urbanized landscape by providing careful attention to the integration of development with natural features in the urban environment. Such measures may include preservation and protection of historical properties, regulation of building construction, access to properties, regulation of signs, consideration of natural areas and environmentally sensitive lands. An assessment shall be made of the visual impact of each proposed development in relation to existing structures, land uses, street scape, natural areas and features.

8 **4.5.2.5 Land Use**
Use of lands designated Major Open Space areas shall be limited to parks, recreational or similar uses, horticultural, conservation, forestry and wildlife management practices, as well as commercial uses including cemeteries, golf courses and campgrounds which are complementary to the open space system and compatible with the development of adjacent land. Commercial development such as marinas, motels, hotels restaurants and small scale retail uses may be permitted on the Otonabee River or Trent Waterway system only within the Central Business District or as an integral part of planned park development on Little Lake or the Liftlock area. An Official Plan amendment is not required to recognize existing uses established within lands designated as Major Open Space or to expand an existing non-conforming use or establishment provided that it can be demonstrated that the expansion will not compromise the objectives stated under policies 3.3.3, 4.5.2.2 and 4.5.2.3.

9 **4.5.2.2 Primary Objective**
A connected system of open space is the primary goal of lands designated as Major Open Space. Major Open Space is shown on Land Use Schedule 'A' to the Official Plan and would include the Otonabee River, Trent Severn Waterway, Jackson Creek and Whitlaw Creek. For Mapping purposes, the Otonabee River and Trent Severn Waterway Jackson Creek and Whitlaw Creek are illustrated on Schedule 'A' as hydrography. Those areas of the Open Space System which are located within the flood plain or that are separately recognized as Natural Areas are shown on Schedule 'C' to the Official Plan. It is the intention of the Official Plan to preserve areas designated as Major Open Space and identified as Natural Areas, from incompatible development and where feasible, integrate such areas within the City's network of parks and open space as stated under Policy 6.2.1.

10 **6.1 GENERAL: GOALS**
The provision of public parkland as a component of the Open Space System, is intended to contribute toward the fulfilment of the same goals and objectives stated under Section 4.5.1.

6.2 Parks and the Open Space System

6.2.1The Major Open Space designation includes Community Parks and Regional Parks in excess of 3 hectares in area as described under the policies of Section 6.4. Neighbourhood Parks are not usually designated as Major Open Space unless they form part of a larger land area of open space.

11 **4.5.1 Open Space System**
The Open Space System is comprised of the lands designated as Major Open Space shown on Schedule A, as well as the Natural Areas shown on Schedule C. The two schedules are to be considered together as the framework upon which the provision of a linked system of open space and public parkland throughout the city is to be based. The Open Space System may also include smaller parks and school yards that are not shown on Schedule A or C but constitute part of a linked system. The general goals of the Open Space System area as follows:

12 **4.5.1.3 Preservation/Conservation**
To maintain and improve a healthy natural environment within an urban setting by protecting and preserving those features considered to be a part of the natural heritage of the community.
To reduce the risk of loss of life or damage to property by restricting development of lands or areas sensitive to development or that may be hazardous to development.

13 **3.3 NATURAL AREAS**
3.3.1 Natural Areas are lands within which the natural ecological process is generally allowed to dominate over other types of land use. Natural Areas usually consist of significant natural features such as woodlands, wetlands, valleylands, endangered or threatened species habitat, watercourses or fish habitat.

The benefits of a connected network of Natural Areas are realized in the form of three components:

- 1) Natural Core Areas; described as areas with a natural or ecological function.
- 2) Natural Corridors; described as areas that provide natural ecological connections between Natural Core Areas within the urban landscape.
- 3) Connecting Links; described as natural or man made connections which occur or can be established between Natural Core Areas or as extensions to Natural Corridors that provide logical links across the network.

The purpose of connecting links may be to accommodate surface water drainage, landscaped open space strips, access or recreational trail connections or preserve treed fence lines where possible. Connecting Links are shown on Schedule C as broken lines.

14 Trent University Press Release & Peterborough Examiner Article, March 5, 1964 (attached).

15 **SECTION 23 - UNIVERSITY AND COLLEGE DISTRICT (UC)**
PERMITTED USES

23.1 No person shall within any UC District use any land or erect, alter or use any building or part thereof for any purpose other than;

- (a) a university
- (b) a college
- (c) a university or college residence
- (d) an adult retraining centre
- (e) any of the following commercial purposes when located in a building designed and forming an integral part of a university or college:
 - (i) a barber shop
 - (ii) a beauty shop
 - (iii) a dry cleaning establishment - Class 2
 - (iv) a drug store
 - (v) a sub-post office
 - (vi) a restaurant
 - (vii) a convenience retail store
 - (viii) a bank, financial institution or loan company

16 **1.8 Energy and Air Quality**

1.8.2 Increased energy supply should be promoted by providing opportunities for energy generation facilities to accommodate current and projected needs and the use of *renewable energy systems* and *alternative energy systems*, where feasible.

1.8.3 *Alternative energy systems* and *renewable energy systems* shall be permitted in *settlement areas*, *rural areas* and *prime agricultural areas* in accordance with *provincial and federal requirements*. In *rural areas* and *prime agricultural areas*, these systems should be designed and constructed to minimize impacts on agricultural operations.

17 **1.6 Infrastructure and Public Service Facilities**

1.6.1 *Infrastructure* and *public service facilities* shall be provided in a coordinated, efficient and cost-effective manner to accommodate projected needs.

Planning for *infrastructure* and *public service facilities* shall be integrated with planning for growth so that these are available to meet current and projected needs.

1.6.2 The use of existing *infrastructure* and *public service facilities* should be optimized, wherever feasible, before consideration is given to developing new *infrastructure* and *public service facilities*.

1.6.3 *Infrastructure* and *public service facilities* should be strategically located to support the effective and efficient delivery of emergency management services.

Where feasible, *public service facilities* should be co-located to promote cost-effectiveness and facilitate service integration.

18 **Infrastructure:**

means physical structures (facilities and corridors) that form the foundation for development. Infrastructure includes: sewage and water systems, septage treatment systems, waste management systems, electric power generation and transmission, communications/telecommunications, transit and transportation corridors and facilities, oil and gas pipelines and associated facilities.

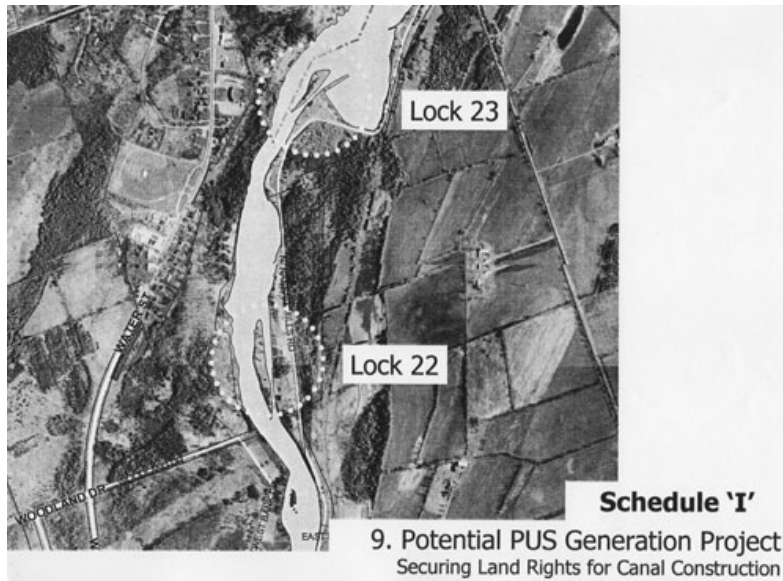
19 **Public service facilities:**

means land, buildings and structures for the provision of programs and services provided or subsidized by a government or other body, such as social assistance, recreation, police and fire protection, health and educational programs, and cultural services. Public service facilities do not include infrastructure..

20 **10 Potential PUSI/Trent University Electrical Generation Project:**

The Parties agree and acknowledge that:

10.1 The University and the Peterborough Utility Services Inc. (“PUSI”) have entered into a Framework Agreement concerning the joint development of a water-powered, electricity generation project (the “Electrical Generation Project”). The potential locations for the two sites composing the Electrical Generation Project are shown in Schedule I.



22 **Trent Rapids Hydroelectric Generating Station Version 4 – Main Report**

3.1.11.5 Trent University Lands

The Trent University lands on the western side of the project area have been designated by the City of Peterborough Official Plan as Open Space (Schedule A, Land Use) and as Natural Areas and Corridors (Schedule C, Natural Areas and Floodplain). The other designation is a 30 m lands adjacent to fish habitat on Schedule C. The Smith-Ennismore-Lakefield Official Plan designates the property at the north end of the project area as Rural Exception.

3.2 Social and Economic Environment

3.2.1 LAND USE, TENURE, AND APPROVALS

...Since a portion of the proposed project will also take place within the limits of the City of Peterborough, the City will require Site Plan approval and a Building Permit for works on its side of the municipal boundary. No rezoning or amendment to the City's Official Plan are necessary.

7. ENVIRONMENTAL PERMITS AND APPROVALS

7.7 City of Peterborough

The proposed powerhouse, tailrace, and most of the canal is within the City of Peterborough on the east side of the River, and is beyond the Trent-Severn Waterway property limits. As such, the City will require Site Plan approval and a Building Permit for works on its side of the municipal boundary. Construction is governed under the Ontario Building Code Act and will require a permit. The Act will administered by the Chief Building Official of the City of Peterborough. No rezoning or amendment to the City's Official Plan are necessary.

7.9 COUNTRY OF PETERBOROUGH

The County's Land Division Committee must approve severances of the lands within both the Township (for eventual purchase by TRPC) and the City (Trent University lands to be leased to TRPC).

[emphasis added]

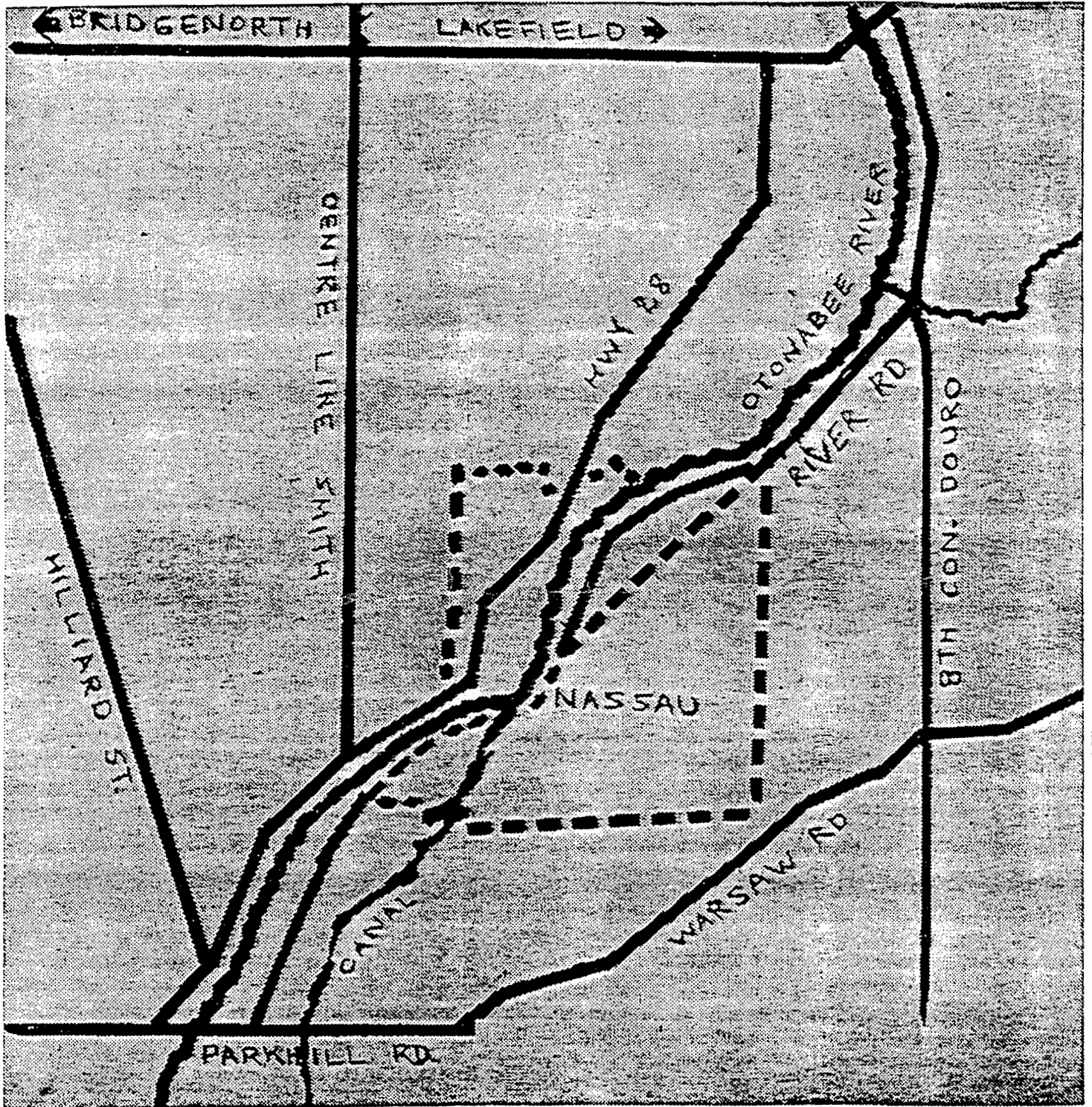
PETERBOROUGH EXAMINER



VOL. CXVII. No. 55

THURSDAY, MARCH 5, 1964

PRICE TEN CENTS



1,460-ACRE CAMPUS—The campus of Trent University will stretch on the east or Douro Township side of the Otonabee River, from above Lock 23 south, embracing 1,110 acres. The southeast tip lies

close to the Warsaw Rd. The southwest tip is near the boundary of the Peterborough Golf and Country Club. On the west or Smith Township side of the river the campus will embrace 350 acres.

Trent Campus To Cover 1,460 Acres

Trent University's campus at Cassau will be 1,460 acres, President Thomas Symons announced today.

The acquisition by Trent at the outset of one of the largest campuses in North America reflects the importance the university attaches to providing for future expansion, the president said.

"Many universities, including nearly all the long-established universities in Canada, have found that the land needed for their future growth was underestimated at the time of their foundation," he said. "and they have been forced later in their history to spend vast sums to acquire valuable land in built-up surrounding areas."

Trent's campus will straddle a two-mile stretch of the Otonabee River.

The purchasing of the lands, 100 acres of them in Douro Township to the east of the river, is now underway.

The 50 property owners in the area were contacted by letter at mid-week.

The university already has moved to some of the property. The core of the site was the site of Canadian General Electric of 100 acres, where once stood the Red Mills, a structure of local historic interest.

Then in the spring of 1963 the university purchased another 100 acres, consisting of some small properties northwest of the Red Mills site and east of Highway 28, and a 95-acre expanse west of the highway, owned by Nick Peconi.

Since, Trent has been purchasing lands on the east side of the river.

The decision to undertake a major land-acquisition program was made by the board of governors recently following studies made by the university's planning committee and advisers.

ADEQUATE LAND

President Symons said the board had noted that the expansion of almost every uni-

versity in North America indicated the importance of acquiring adequate land at the time of its foundation.

In the light of such experience, the board and staff and advisers felt it wise to think broadly in regard to the university's land program and to plan a total campus area which might be large enough to meet future needs, both known and unknown, said the president.

Following the decision of the board the plan for a 1,460-acre campus was registered and at that moment all land values were frozen.

The university has the power to expropriate.

President Symons predicted it may take three years before all the legal aspects of the program are closed.

Land values in the area are higher than they were two years ago before the university site was officially announced. This is one more reason Trent is purchasing broad acreage now, President Symons said. With rising land prices any delay

would mean the cost to the university would be higher.

Much land is needed to provide for expansion in predictable areas, the president explained. Faculties of medicine and forestry will eventually be established.

But even more there must be lands provided for as yet unknown developments. "There will be new kinds of development beyond atomic physics," said the president. "that may require large buildings for research."

"SPACE AND BEAUTY"

He continued: "There is also the opportunity here to create a university of space and beauty. The opportunity is one of the best things about Trent and we're seizing it."

The nearly two miles of river flowing through the heart of the university will be a central feature in Trent's master plan and its future life, he said, and added: "It will be a part of the special character of the university."

In making plans for university land the campus planning committee and the board kept in mind the needs of Peterborough and surrounding communities, as well as the needs of the university, said the president.

"The campus will be an asset to the whole area not just the university," he said.

ADDED PARKLAND

"The university sees the Otonabee campus as a continuation of the beautiful river parklands of the city, available for the pleasure of the citizens of the community as much as for the members of the university."

He stressed: "The campus will be landscaped to preserve its natural beauties and the public will be welcomed in the university precincts to share these beauties."

Establishment of the campus provides, along with attached lands that are publicly owned, a greenbelt area embracing nearly 2,000 acres.

WORK TOGETHER

"We want to work with the parks board and the conservation authority and other public bodies and citizens who share a concern for conservation, to care for our natural resources," said the president.

The master plan for the development of the campus is now being completed by master planning architect Ronald Thom, in consultation with the campus planning committee, and should be approved and published within the next few weeks, he said.

The plan will show the location of a dozen residential-teaching colleges, the library, a complex of science buildings, and other facilities.

President Symons said many persons had worked in connection with the planning for the campus area. He paid particular tribute to Mr. Thom, property committee chairman Stanley Adamson, assistant to the president Prof. Denis Smith, and Ruffar John Brock.

Trent University
Peterborough

News Release from 12 Noon, Thursday, 5 March, 1964.

TRENT UNIVERSITY ACQUIRES 1,400-ACRE CAMPUS

Trent University is now completing plans for a 1,400-acre campus, President and Vice-Chancellor T. H. B. Symons announced today. The decision to undertake this substantial programme of land acquisition was made by Trent's Board of Governors following studies made by the University's Planning Committee and advisers. The campus will be one of the largest and most handsome in North America.

President Symons expressed the hope that in acquiring this large campus Trent would be making adequate provision for the long-term future, as well as for the more immediate needs of the University in this generation. He noted that the experience of almost every university in North America indicates the importance of acquiring adequate land at the time of its foundation. Many universities, including nearly all the long-established universities in Canada, have found that the land needed for their future growth was underestimated, and they have been forced later in their history to spend vast sums to acquire valuable land in built-up surrounding areas.

In the light of such experience, the Board and staff and advisers of Trent University had felt it wise to think broadly in regard to the University's land programme and to plan a total campus area which might be large enough to meet future needs, both known and unknown.

The campus will be centred upon the Otonabee River, with lands upon both its banks. Nearly two miles of the river will flow through the heart of the University and the river will be a central feature in Trent's master plan and in the future life of the University.

The President said that, in making plans for University land, the Campus Planning Committee and Board of Governors had kept very much in mind the needs of Peterborough and the surrounding communities

as well as the needs of the University. The University sees the Otonabee campus as a continuation of the beautiful river parklands of the City of Peterborough, available for the pleasure of the citizens of the community as much as for the members of the University. The campus will be landscaped to preserve its natural beauties, he said, and the public will be welcomed in the University precincts to share these beauties.

Work upon the master plan for the development of the University campus is already well-advanced, said the President. It is now being completed by the Master Planning Architect, Mr. Ronald J. Thom, in consultation with the Campus Planning Committee, and should be approved and published within the next few weeks. The master plan will show the location of the projected buildings of the University, as well as long-term proposals for the development and use of the campus. The plan will make provision for a dozen residential-teaching colleges, a substantial University library, a complex of science buildings, and other facilities designed to serve both the University and the citizens of the City and region.

The plan for the campus area was prepared over several months by the Campus Planning Committee of the University, and Mr. S. R. Adamson, the Chairman of Trent University's Property Committee, working with the advice of the Master Planning Architect. It was approved in principle by the Board of Governors of the University at its February meeting, and the acquisition of land within the area is now proceeding. Property owners with whom Trent University will be negotiating are being contacted.

President Symons said that many people had done helpful work in connection with the planning for the campus area. However, he wished to pay particular tribute to Mr. Stanley R. Adamson, who is the Chairman of the University's Property Committee, Professor Denis Smith, who is the Secretary of the University's Planning Committee, Mr. John F. Brook, who is the Bursar of the University, and Mr. Ronald J. Thom, the University's Master Planning Architect.

Trent Rapids

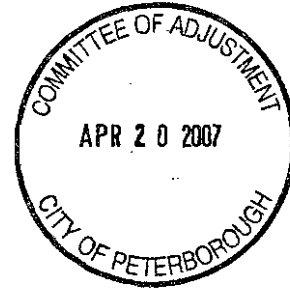
POWER CORPORATION



EXHIBIT	<u> A </u>
SHEET	<u> 1 </u> OF <u> 1 </u>

April 19, 2007

File: O27



To: Committee of Adjustment
In Care of Carolyn Jobbitt

Dear Mrs. Jobbitt:

At the Committee of Adjustment Hearing on April 3, 2007, the Committee decided to adjourn the review of the application for severance pertaining to File B04-07 to provide time to obtain more information on the proposed use of the land once severed.

Please find enclosed information in the attached package that has been assembled to respond to questions asked at the Committee of Adjustment Hearing regarding the proposed development of Trent Rapid Power Corporation's hydroelectric facilities. We have also included one copy of the most recent Environmental Assessment – Screening Report that provides a very in-depth review of all factors required under the Canadian Environmental Assessment Act (CEAA). The Screening Report can also be downloaded from Trent Rapid's web site www.trentrapidspowercorp.ca.

Should any of the Committee of Adjustment members require further information or clarification, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Allen".

Robert Allen
President TRPC
Telephone: (416) 482-5342
Fax: (416) 482-5342
Email: info@trentrapidspowercorp.ca

Encl.

Trent Rapids

POWER CORPORATION



EXHIBIT A
SHEET 2 OF 5

April 19, 2007

File: O27

To: Members of the City of Peterborough's Committee of Adjustment

At the April 3, 2007 Committee of Adjustment hearing, the review of file B04-07 pertaining to the severance of a piece of Trent University's property was adjourned, until the May 1, 2007 meeting allowing time for the Committee to receive further information about the proposed use of the property once severed. Trent Rapids Power Corporation is pleased to provide you with the following information based on the questions that were asked at the Committee of Adjustment Hearing on April 3, 2007. We have also included one copy of the most recent Environmental Assessment – Screening Report that provides a very in-depth review of all factors required under the Canadian Environmental Assessment Act (CEAA). Six (6) copies of "TRPC's Environmental Screening Report: Highlights" have been included to provide a brief overview of the much larger and more encompassing document. The full Screening Report can also be downloaded from Trent Rapid's website www.trentrapidspowercorp.ca.

When Trent Rapids obtains all the required approvals, it proposes to build an 8 MW hydroelectric generation facility on part of the severed land from Trent University. A long-term lease agreement has been developed with Trent University to provide for what the University regards to be a compatible use for this severed portion of land with respect to the University's overall property development. As a result of the length of the lease term, a severance is required. Questions were raised about the term and contents of this lease. Hydroelectric generating stations typically have a life span of many decades and sometimes over 100 years. In order to secure the required funding for projects of this nature, financial institutions require that project developers demonstrate that they have secured long-term property rights for the lands they need to support the facility. This is a standard pre-condition to obtaining institutional financing. Both TRPC and Trent University worked together to develop a very comprehensive and in-depth lease arrangement that provides for the requirements of both parties. The lease arrangement contains specific terms and conditions that TRPC consider commercially sensitive to the point that if they were released, negotiations that are ongoing for other sites outside this area, could be materially affected.

In parallel with obtaining the required property approvals, TRPC is also required to obtain a significant number of other approvals. One of the largest and most complicated requirements is to meet the criteria of an Environmental Assessment.

Early in the development process, representatives from the TRPC met with both Federal and Provincial regulatory agencies to determine the requirements that would have to be satisfied. The Federal and Provincial bodies determined that TRPC's project would fall within the Federal jurisdiction and as such would require a screening under the Canadian Environmental Assessment Act (CEAA). Although the terminology used is a "screening", it has nevertheless, required TRPC to undertake an extensive two-year process of technical studies and analyses, including significant community outreach that began almost one year ago to solicit community and stakeholder comments. For a complete description of the process, please reference section 1.5 of the Screening Report. The Canadian Environmental Assessment Agency (CEA Agency) provides the direction as to what level of review is required. The full documents can be found at their website (www.ceaa-acee.gc.ca/010/basics_e.html). Included as an attachment to this letter, please find copies of excerpts from CEA Agency's website. There are four types of environmental assessments defined by the CEA Agency; A comprehensive study, screenings, mediation, and review panel. Based on the requirements for each type, it was determined by the CEA Agency that the screening was the appropriate environmental assessment process. Hydroelectric projects over 200MW would require a comprehensive study. During the development of the Screening Report, both Federal and Provincial Agencies were consulted. These include but are not limited to; Parks Canada, Department of Fisheries and Oceans, Transport Canada/Coast Guard, Environment Canada, Ontario Ministry of Environment, Ontario Ministry of Natural Resources, and the Otonabee Region Conservation Authority.

On May 5, 2006, a "Notice of Commencement of an Environmental Assessment" was prepared and published. Input from the public has been and continues to be extremely important to TRPC. In Peterborough and Lakefield, TRPC has hosted a total of two open-house sessions and one information session to obtain input and provide information to the public.

To encourage input from the public, TRPC advertised these notices and information/open house sessions in such publications as the Canada Gazette, the Globe and Mail, the Peterborough Examiner, Peterborough This Week and two student newspapers, the Arthur and Absynthe. Additionally, hand-delivered notices for all events were delivered to residents and businesses that were situated close to the proposed site. The second open house, held on December 6, 2006, was held within the first 30-day public comment period of the draft Environmental Screening Report (ESR). Copies of the draft Environmental Screening Report were available in three public locations that included Trent University Bata Library, Peterborough Utilities Inc.'s main office, and Parks Canada/TSW. The digital version of the report was available on TRPC's website at www.trentrapidspowercorp.ca. On April 2, 2007, TRPC announced that the revised Environmental Screening Document had been completed and on April 11, 2007 TRPC announced in the media the new document was available. This new document is now available for public review at several locations across the Peterborough, and Smith-Enismore-Lakefield community including Trent University Bata Library, Peterborough Utilities offices, Parks Canada/TSW office, Peterborough Public Library, and TSEL Library – Lakefield Branch and on TRPC's website. In conjunction

with release of this document another 30-day public input period is available for submissions of concerns about the Environmental Screening document, to the responsible Federal authorities. It is worth noting that there will be three separate occasions for members of the public to comment, in writing, to the Director of Water Power, Parks Canada/TSW, and to TRPC regarding their concerns about or support for the project. Such written comments are carefully reviewed by TRPC, and our Version 4 Environmental Screening Report attempts to speak directly to the concerns raised to date by the community. As well, Parks Canada/TSW has indicated to TRPC that Parks Canada/TSW takes seriously the comments received in writing from the community. It is not correct, on the basis of these facts, for anyone to affirm that the environmental screening process does not provide opportunity for input from the community. A full description of the complete Consultation process that TRPC followed can be found in section 2 of the latest screening document.

It has been suggested by some members of the public that all projects, including TRPC's project along the Trent Severn Waterway, be delayed until the completion of the review of the use of the waterway, as proposed by MP Bruce Stanton, has been finalized. In fact, MP Bruce Stanton has proposed this study to promote the efficient and effective use of the Trent Severn Waterway for many uses including the development of hydroelectric power. In the attached letter from M.P. Bruce Stanton, he indicates that he does not wish to hold up projects such as TRPC's and encourages such developments. Support from both Federal and Provincial Governments to develop projects that can provide clean, environmentally safe, renewable forms of energy have been widely acknowledged. Programs such as the Ontario Standard Offer Program and the Federal Eco-Energy Program have been developed to encourage such projects where some projects would not be financially feasible otherwise.

Without support through programs such as the Ontario Standard Offer Program and the proposed Eco-Energy Program, many rivers and streams would never be developed because the financial return on such projects would not make them viable. As part of the Environmental Screening process, TRPC looked at four alternative configurations. While each of the configurations had pros and cons, only the proposed configuration was found to be feasible after considering all the relevant technical, economic and environmental factors. Ultimately, if the proposed design configuration is not approved through all steps of this endeavor, the renewable resource potential at Dams 22 & 23 will not be developed. For a complete comparison of the various factors such as Engineering Issues, Geophysical Issues, Ecological Issues, Air Quality and Climate Issues, and Social/Cultural Issues, please refer to Section 1.4 and Table 1.1 of the Environmental Screening Report.

Trent Rapids trusts the above information, along with the attached documents answers any questions or concerns you may have had concerning this project. Should you have any additional questions, please don't hesitate to contact me at your earliest convenience.

We would like to bring to your attention that on April 24, 2007, Trent Rapids Power Corp. expert staff will be available, in support of an open house being held by Trent University, to answer questions as to how this project fits into the University's overall plans for the property in question and its surrounding area. This session will begin at 6:30 pm at Champlain College, Room 307. We look forward to the opportunity to seeing Committee of Adjustment members there.

Sincerely,



Robert Allen
President TRPC
Telephone: (416) 482-5342
Fax: (416) 482-5342
Email: info@trentrapidspowercorp.ca



HOUSE OF COMMONS
CHAMBRE DES COMMUNES

Ottawa

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Justice Building
Ottawa ON K1A 0A6
Tel: 613-992-6582
Fax: 613-996-3128



Bruce Stanton
Member of Parliament
Député
Simcoe North/Nord

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Tel: 705-327-0513
Fax: 705-327-8310

Midland

295 King Street
Edwards Village Square
Midland, ON L4R 3M5
Tel: 705-527-7654
Fax: 705-527-7668

October 20, 2006

Mr. Ken East
Superintendent -- Trent Severn Waterway
P.O. Box 567
Peterborough, Ontario
K9J 6Z6

Dear Ken:

On October 10, 2006 I met with John Mattinson of Orillia Power Corporation, Larry Doran, President and CEO of Peterborough Utilities, and Paul Norris of the Ontario Water Power Association.

I pass along for your consideration, the views of the renewable power community that has an interest in the Trent Severn Waterway, that Parks Canada be receptive to continued energy proposals in the coming year. I sense they are concerned that if Parks Canada embarks on a thorough evaluation of the TSW, as contemplated by my own Motion, that energy proposals may be put on hold.

I learned that the Province of Ontario currently offers incentives for the development of new renewable power capacity. But these offers have a deadline looming some 18 to 24 months from now.

I believe it is advisable that new renewable power proposals not be delayed by any action the Department may take in respect to the evaluation/review.

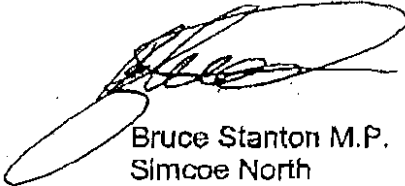
Secondly, they reminded me that the Ontario Water Power Association has access to quality data and models for water resource management on waterways similar in size and complexity to the TSW. As we consider the future for the waterway, it might be instructive to consider those models. I suspect this issue will be covered in the course of the review that may follow the adoption of Motion M-161. I pass this information along for your consideration in any case.

Finally, we discussed the issue of water resource (read water levels) management as being an almost impossible political football. Each group of shoreline residents will have their own interests to high-light and it will be difficult, if not impossible, to satisfy all stakeholders on this count. I am sure this information is not new to you.

The tools we may have to counter this contentious issue are; data on the "historic" water levels that assert the fluctuation reality, and the adoption of common best practices that have come to typify other similar waterways.

I look forward the review process ahead. Please contact me if you need any clarification on these issues.

Sincerely,



Bruce Stanton M.P.
Simcoe North