SUMMARY OF COMMENTS/RECOMMENDATIONS

PROPOAL NAME: HBMS Co. Ltd.
PROPOSAL NAME: Chisel North Substation
CLASS OF DEVELOPMENT: 2
TYPE OF DEVELOPMENT: Transmission
CLIENT FILE NO.: 5568.00

OVERVIEW:

An Environment Act Proposal for the Chisel North Substation, dated February 15, 2012, was received from Hudson Bay Mining and Smelting Co. Ltd. on February 21, 2012. The advertisement of the Proposal read as follows:

“A Proposal has been filed by the Hudson Bay Mining & Smelting Co. Limited (HBMS) to construct and operate a new 115 kV substation near the Town of Snow Lake. The proposed substation is located within the site of the Chisel North Mine on property which is under lease to HBMS. The new station is required to ensure that a reliable electrical supply is available to provide power to the underground Chisel North Mine, the Chisel North Water Treatment Plant (WTP), the Lalor Advanced Exploration Project, and to accommodate the future needs of the Chisel North and Lalor developments. Power to the new station will be supplied by a short tap from the existing 115 kV transmission line servicing the Town of Snow Lake. The existing 30 year old Chisel Lake Substation, located to the north of the Chisel North WTP and Open Pit, will be decommissioned once the new Chisel North Substation becomes operational. The proposed Chisel North Substation is planned for in service in September 2012 once regulatory requirements have been met.”

The proposal was advertised in the Snow Lake Underground Press on Thursday, March 16, 2012, The Pas Opasquia Times and Flin Flon Reminder on Friday March 16, 2012.

Copies of the Proposal were placed in the following Manitoba Conservation Public Registries: Conservation & Environment Library, the Manitoba Eco-Network, the Millennium Public Library, the The Pas and Flin Flon Western Public Libraries and the Snow Lake Town Office. It was also distributed to the “Transmission” Technical Advisory Committee (TAC) for comment. Comments from the public and TAC were requested by April 16, 2012.

PUBLIC RESPONSE

No public comments were received regarding the project.

COMMENTS FROM THE TECHNICAL ADVISORY COMMITTEE:

Following is a summary of TAC comments on the Environmental Assessment Report. Copies of the original comments from TAC are available in the Public Registries.
Manitoba Conservation & Water Stewardship

Air Quality Section

- Potential air quality impact (particulate matter, dust and noise) from the proposed project is not expected to be significant provided the mitigation measures mentioned in the proposal are implemented.
- Ground level ozone generation from the transmission line due to corona effects are not expected to be significant.

Parks and Natural Areas Branch

- No comments on the Proposal

Sustainable Resource Management Branch

- No concerns.

Wildlife and Ecosystem Protection Branch

- No wildlife related concerns.

Water Stewardship Division

The Water Stewardship Division of the Manitoba Department of Conservation and Water Stewardship has reviewed the referenced file, forwarded for comment on March 8, 2012.

- The Water Stewardship Division submits the following recommendation:
  
  o The greatest hazard identified for the water quality of downstream water bodies would be a large volume, large flow oil spill and fire of electrical equipment. While it is recognized that concrete containment vessels will be constructed under each of the transformers, an emergency response plan for the facility should consider the capacity of these oil containment vessels and possible mitigation in the unlikely event of a major transformer fire and fire suppression event using substantial volumes of water.

- The Water Stewardship Division submits the following comments:
  
  o The Water Stewardship Division does not object to the approval of this proposal, at this time.

  o The proponent needs to be informed of the following for information purposes:
    
    ▪ Erosion and sediment control measures should be implemented until all of the sites have stabilized.
- The Water Rights Act requires a person to obtain a valid licence to control water or construct, establish or maintain any “water control works.” “Water control works” are defined as any dyke, dam, surface or subsurface drain, drainage, improved natural waterway, canal, tunnel, bridge, culvert borehole or contrivance for carrying or conducting water, that temporarily or permanently alters or may alter the flow or level of water, including but not limited to water in a water body, by any means, including drainage, OR changes or may change the location or direction of flow of water, including but not limited to water in a water body, by any means, including drainage. If a proposal advocates any of the aforementioned activities, a person is required to submit an application for a Water Rights Licence to Construct Water Control Works. A person may contact the following Water Resource Officer to obtain an application and/or obtain information.

- A contact person is Mr. Geoff Reimer C.E.T., Senior Water Resource Officer, Water Control Works and Drainage Licensing, Manitoba Conservation and Water Stewardship, Box 4558, Stonewall, Manitoba R0C 2Z0, telephone: (204) 467-4450, email: geoff.reimer@gov.mb.ca.

Disposition: The comment regarding a requirement for oil containment can be accommodated in as condition of licensing. The other comments were provided as information and will be forwarded to the proponent.

Manitoba Infrastructure and Transportation

- No concerns.

Innovation, Energy and Mines– Mines Branch

- No concerns.

CEAA

Based on responses to the Federal survey, application of the Canadian Environmental Assessment Act will not be required.

CROWN-ABORIGINAL CONSULTATION

The Government of Manitoba recognizes it has a duty to consult in a meaningful way with First Nations, Metis communities and other Aboriginal communities when any proposed provincial law, regulation, decision or action may infringe upon or adversely affect the exercise of a treaty or Aboriginal right of that First Nation, Metis community or other Aboriginal community.

It has been concluded that Crown-Aboriginal consultation is not required for this project for the following reasons:

- The footprint of the proposed substation is very small and localized.
- The substation site is not near environmentally sensitive areas.
The proposed substation site is located in an area previously disturbed by mining activity within an area under Mineral Lease to HBMS and therefore would preclude the possibility of traditional activities being practiced within the Mineral leased area.

- The project does not involve any expansion or change in mining activity of any type within the existing HBMS Mineral Lease area.
- No First Nation communities are located adjacent to or near the proposed development.

**RECOMMENDATION:**

A public hearing is not recommended. It is recommended that the Development be licensed under The Environment Act subject to the limits, terms and conditions as described in the attached Draft Environment Act Licence. It is further recommended that enforcement responsibility of the licence is transferred to the Northwest Region of Manitoba Conservation and Water Stewardship.

**PREPARED BY:**

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