

INTERNATIONAL JOINT COMMISSION  
UNITED STATES AND CANADA



October 12, 2007

Edward A. Lee, Director  
U.S. Department of State  
WHA/Canadian Affairs  
2201 "C" Street, NW  
HST Room 3917  
Washington, DC 20520

Dear Mr. Lee:

The International Joint Commission has been informed by its International Rainy Lake Board of Control and the International Rainy River Water Pollution Board that there is significant public concern about proposed Ojibway Power & Energy Group (OPEG) projects to develop hydro generating stations on the Namakan River. Copies of letters from OPEG (attachments 1 and 2) and the Boards (attachments 3) to the IJC are attached. The latter includes an attachment of the presentation provided to the Boards by the Rainy Lake Conservancy (attachment 4). Also enclosed is a copy of a letter by the IJC in response to the letters received from OPEG (attachment 5).

The Commission alerts the governments to this situation so that appropriate action may be considered that would prevent transboundary issues that may arise.

A similar letter is being sent to the Department of Foreign Affairs and International Trade by the Secretary of the Canadian Section of the Commission.

Sincerely,

A handwritten signature in cursive script that reads "Elizabeth C. Bourget".

Elizabeth C. Bourget  
Secretary  
U.S. Section

cc: Beatrice Soila, U.S. Department of State, WHA/CAN  
Murray Clamen, Secretary, Canadian Section

Attachments (5)

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October 12, 2007

Ms. Sarah Fountain-Smith  
Director  
Foreign Affairs and International Trade Canada  
Canada-US Relations  
Lester B. Pearson, Tower A  
125 Sussex Drive  
Ottawa, Ontario K1A 0G2

Dear Ms. Fountain-Smith:

The International Joint Commission has been informed by its International Rainy Lake Board of Control and the International Rainy River Water Pollution Board that there is significant public concern about proposed Ojibway Power & Energy Group (OPEG) projects to develop generating stations on the Namakan River. Copies of letters from OPEG (attachments 1 and 2) and the Boards (attachments 3) to the IJC are attached. The latter includes an attachment of the presentation provided to the Boards by the Rainy Lake Conservancy (attachment 4). Also enclosed is a copy of a letter by the IJC in response to the letters received from OPEG (attachment 5).

The Commission alerts the governments to this situation so that appropriate action may be considered that would prevent transboundary issues that may arise.

A similar letter is being sent to the Department of State by the Secretary of the U.S. Section of the Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Murray Clamen".

Murray Clamen  
Secretary, Canadian Section

c.c. Ms. Lisa Bourget, Secretary, U.S. Section  
Attachments (5)

[www.ijc.org](http://www.ijc.org)



December 21, 2006

**International Joint Commission**

234 Laurier Ave. - 22nd Floor  
Ottawa, ON K1P 6K6

Dear Sir or Madam:

The Ojibway Power and Energy Group (OPEG) proposes to develop a run-of-the-river hydro generating station on the Namakan River, at Myrtle Falls, southeast of Fort Frances, Ontario.

The Project is subject to an Environmental Screening under the Ontario Ministry of the Environment's (MOE) *Guide to Environmental Assessment for Electricity Projects* (MOE, 2001). Part of this Electricity Sector Environmental Assessment Process includes consultation with affected stakeholders and with the public.

You have received this letter because, after reviewing various documents and completing some preliminary investigation with local residents, we believe you may have an interest in the Namakan River Hydro Development Project.

The Notice of Commencement of Environmental Screening for the Myrtle Falls Hydro Development Project is enclosed for your reference which contains additional information about the Project.

As OPEG is actively pursuing other opportunities on the Namakan River, we do not intend to commence compiling the screening report until a later date. Should you have any inquiries or any comments regarding the Project, please contact us. You may go to OPEG's website at <http://www.opeg.ca/contact.html> if you wish to send a comment.

Yours truly,

**OJIBWAY POWER AND ENERGY GROUP**

Tim Saville, P.Eng.  
President

Enc. (1)

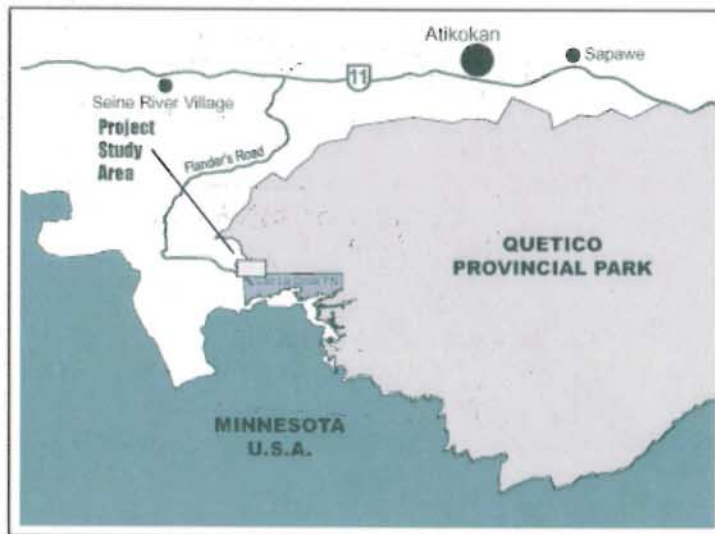
# NOTICE OF COMMENCEMENT

## ENVIRONMENTAL SCREENING

### MYRTLE FALLS HYDRO DEVELOPMENT PROJECT

The Ojibway Power and Energy Group proposes to develop a hydroelectric generation facility at Myrtle Falls located approximately 6 km downstream of the community of Lac La Croix. The Myrtle Falls Facility will be a run-of-the-river development with an estimated installed capacity of approximately 2 MW.

The Namakan River divides into three channels downstream of Douglas Island; the main channel, which is Myrtle Falls, contains the majority of the river flow. The concept proposed includes a powerhouse and intake channel to the south of Myrtle Falls with an overflow weir, at the crest of the falls, to attenuate river flows. The concept also includes small weirs, for water level control, on Ivy Channel to the east of Douglas Island upstream of Myrtle Falls and weirs at each of the other two channels around Myrtle Falls. A 1 km transmission line would extend to the south to an interconnection point to an existing 25-kV line.



The Project is subject to the Ontario Ministry of the Environment's Environmental Screening Process for Electricity Projects, the Ontario Ministry of Natural Resources Water Power Program Guidelines and the Canadian Environmental Assessment Act.

At this time Ojibway Power and Energy Group is actively pursuing other projects on the Namakan River. Consequently, the Environmental Screening will be conducted at a later date. Should you have any inquiries or any comments regarding the project please contact us or you may leave a comment on OPEG's website, <http://www.opeg.ca/contact.html>.



Tim Saville, President  
Ojibway Power and Energy Group  
226 Edward Street, Suite 2  
Aurora, ON. L4G 3S8  
Phone: (905) 726-8321 x221  
Fax: (905) 726-8331  
Email: [tim.saville@opeg.ca](mailto:tim.saville@opeg.ca)



December 21, 2006

**International Joint Commission**

234 Laurier Ave. - 22nd Floor  
Ottawa, ON  
K1P 6K6

Dear Sir or Madam:

The Ojibway Power and Energy Group (OPEG) proposes to develop two run-of-the-river hydro generating stations on the Namakan River southeast of Fort Frances, Ontario. Chant Construction Limited (Chant) is carrying out the Environmental Screening for the project on behalf of OPEG.

The project is subject to an Environmental Screening under the Ontario Ministry of the Environment's (MOE) *Guide to Environmental Assessment for Electricity Projects* (MOE, 2001). Part this Electricity Sector Environmental Assessment Process includes consultation with affected stakeholders and with the public.

You have received this letter because, after reviewing various documents and completing some preliminary investigation with local residents, we believe you may have an interest in the Namakan River Hydro Development Project.

The Notice of Commencement of Environmental Screening for the Namakan River Hydro Development Project is enclosed for your reference which contains additional information about the Project.

Should you have any inquiries or any comments regarding the project or wish to be included in further mail notifications regarding this project, please contact Krzysztof Muniak or me: our contact information is included in the Notice of Commencement. You may go to OPEG's website at <http://www.opeg.ca/contact.html> if you wish to send a comment.

Yours truly,

**OJIBWAY POWER AND ENERGY GROUP**

Tim Saville, P.Eng.  
President

Enc. (1)



# NOTICE OF COMMENCEMENT

## ENVIRONMENTAL SCREENING & WATER MANAGEMENT PLANNING

### NAMAKAN RIVER HYDRO DEVELOPMENT PROJECT

The Namakan River Hydro Development Project consists of two proposed generating facilities. The High Falls facility will be a run-of-the-river development with a 1.2 m high weir and spillway at the crest of High Falls to attenuate river flows within historical flood limits. Bill Lake will serve as a natural head pond and any change in river elevation will be contained below Quetico Rapids, located 2,500 m upstream. A combined intake and powerhouse will be equipped with four axial flow turbines. A 2.2 km transmission line would extend to the south to an interconnection point to an existing 25-kV line.

The Hay Rapids facility will be a run-of-the-river development consisting of two 1.5 m high rubber-dam weirs at the upstream crest of Hay Rapids, thereby using Little Eva Lake as the head pond for the facility. An excavated intake channel will divert water to the intake and powerhouse. The powerhouse, equipped with four axial flow turbines, will be constructed on an alignment parallel to, but south of, the rapids with the powerhouse tailrace situated near the bottom of the last rapids. A 1.4 km transmission line would extend to an interconnection point on an existing 25-kV line to the south. In order to allow for interconnection, the existing 25-kV line to which both facilities will be connected will be upgraded to 44-kV.



The Project is subject to the Ontario Ministry of the Environment's Environmental Screening Process for Electricity Projects, the Ontario Ministry of Natural Resources Water Power Program Guidelines and the Canadian Environmental Assessment Act.

Chant Construction Limited is preparing the Environmental Screening on behalf of the Ojibway Power and Energy Group. Should you have any inquiries or any comments regarding the project or wish to be included in further mail notifications regarding this project, please contact us or you may leave a comment on OPEG's website <http://www.opeg.ca/contact.html>.



Tim Saville, President  
Ojibway Power and Energy Group  
226 Edward Street, Suite 2  
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Phone: (905) 726-8321 x221  
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Krzysztof Muniak, Environmental Assessment Lead  
Chant Construction Limited  
226 Edward Street, Suite 2  
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# **INTERNATIONAL RAINY LAKE BOARD OF CONTROL**

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## **INTERNATIONAL RAINY RIVER WATER POLLUTION BOARD**

Secretary: Kari Layman  
US Army Corps of Engineers  
St. Paul District  
190 Fifth Street East  
St. Paul, Minnesota  
55101-1638

[Kari.L.Layman@usace.army.mil](mailto:Kari.L.Layman@usace.army.mil)  
651-290-5424

August 28, 2007. (via email)

Secretaries Bourget and Clamen  
International Joint Commission  
Washington, DC and Ottawa, ON

### **Re: Proposed Hydropower Developments on the Namakan River in Ontario**

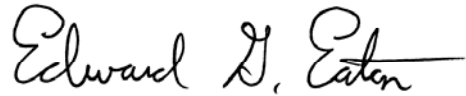
The Boards held their joint annual public meeting in International Falls MN on Tuesday, August 21. While this meeting was attended by IJC Commissioner Olson plus IJC Advisors Pilon and Colosimo, the Boards would nevertheless like to formally alert the Commission regarding an issue of concern in the basin.

In their Spring 2007 report to the IJC, the Boards provided information on three proposed hydropower developments on the Namakan River in Ontario, between Lac la Croix and Namakan Lake. These sites were identified under the Ontario government's current small-hydro energy policy. While the river is not a "boundary water", it does connect the boundary waters of Lac la Croix and Namakan. Planning and environmental studies are currently underway but are not expected to produce the results needed to assess any possible impacts on boundary waters until mid to late 2008.

There have been growing concerns in the basin regarding these proposed developments since they were announced. At the public meeting, once the Boards' brief presentation was complete, these proposed developments became the main (and almost exclusive) focus of subsequent public questions and discussion. Although Commissioner Olson explained that the issue was not currently subject to IJC jurisdiction, several members of the audience, and in particular the Rainy Lake Conservancy, stated strongly that, in their view, it either was or should be. A PowerPoint presentation prepared by the Conservancy (not presented at the Board's public meeting at the request of the Boards) is attached, in which the Conservancy requests IJC involvement.

In summary, the Boards wish to alert the Commission of this issue of public concern, and of the fact that members of the public have certain expectations for IJC involvement. The Board Members also wish to advise that they have had some feedback to date from the IJC legal advisors regarding IJC jurisdiction in this issue, but intend to follow up with the advisors to hopefully improve the Boards' understanding of jurisdictional and process issues, so as to better guide Board responses to questions from the public.

On behalf of, and approved by the IRLBC and IRRWPB,

A handwritten signature in black ink, reading "Edward G. Eaton". The signature is written in a cursive style with a horizontal line extending from the end of the name.

Edward G. Eaton  
Engineering Advisor  
International Rainy Lake Board of Control

Attach. (PowerPoint presentation submitted by the Rainy Lake Conservancy)



# Proposed Namakan River Hydroelectric Project

Presentation to IJC

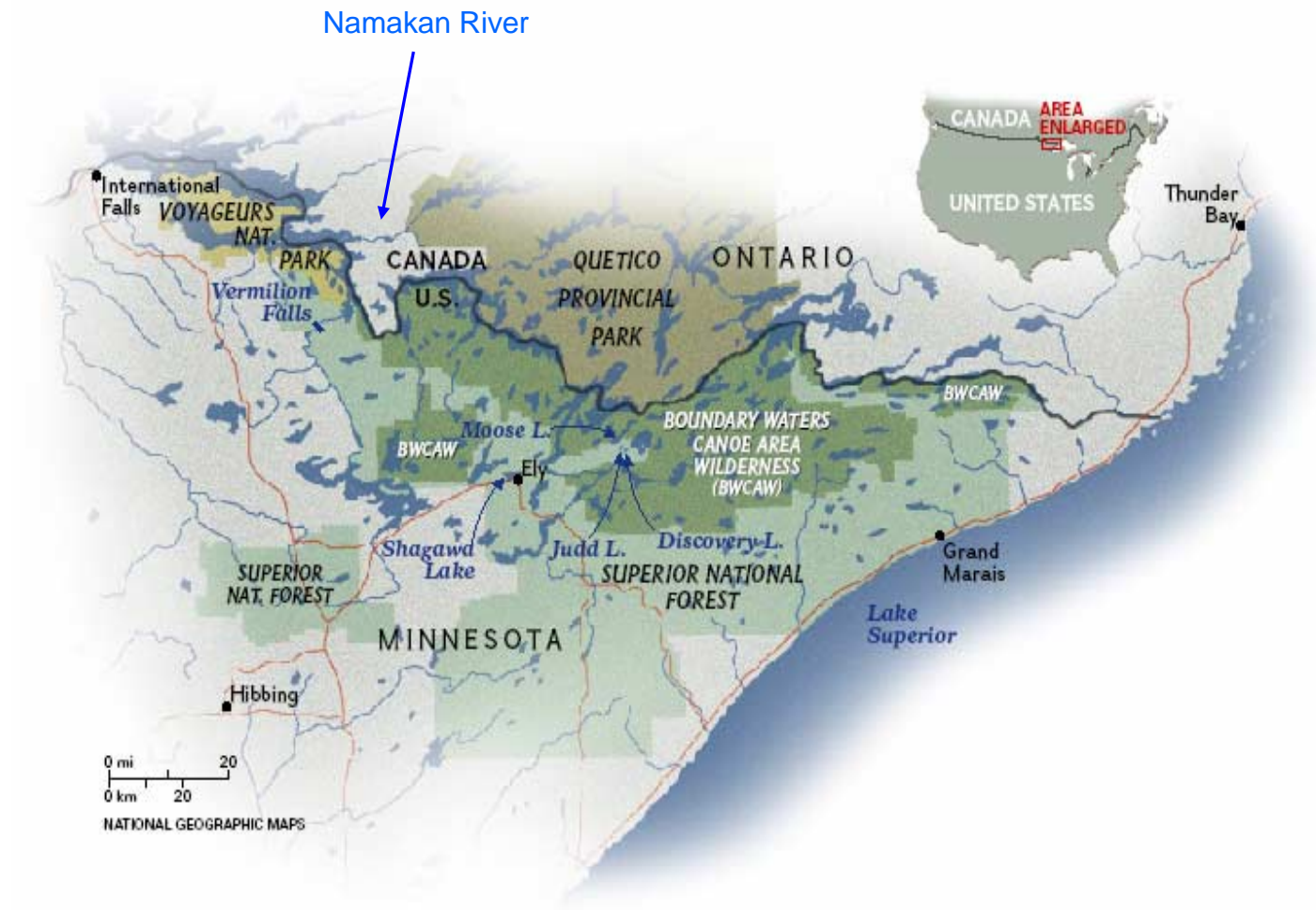
August 21, 2007

By Rainy Lake Conservancy

**Paul A. Anderson**

**Dale & Phyllis Callaghan**

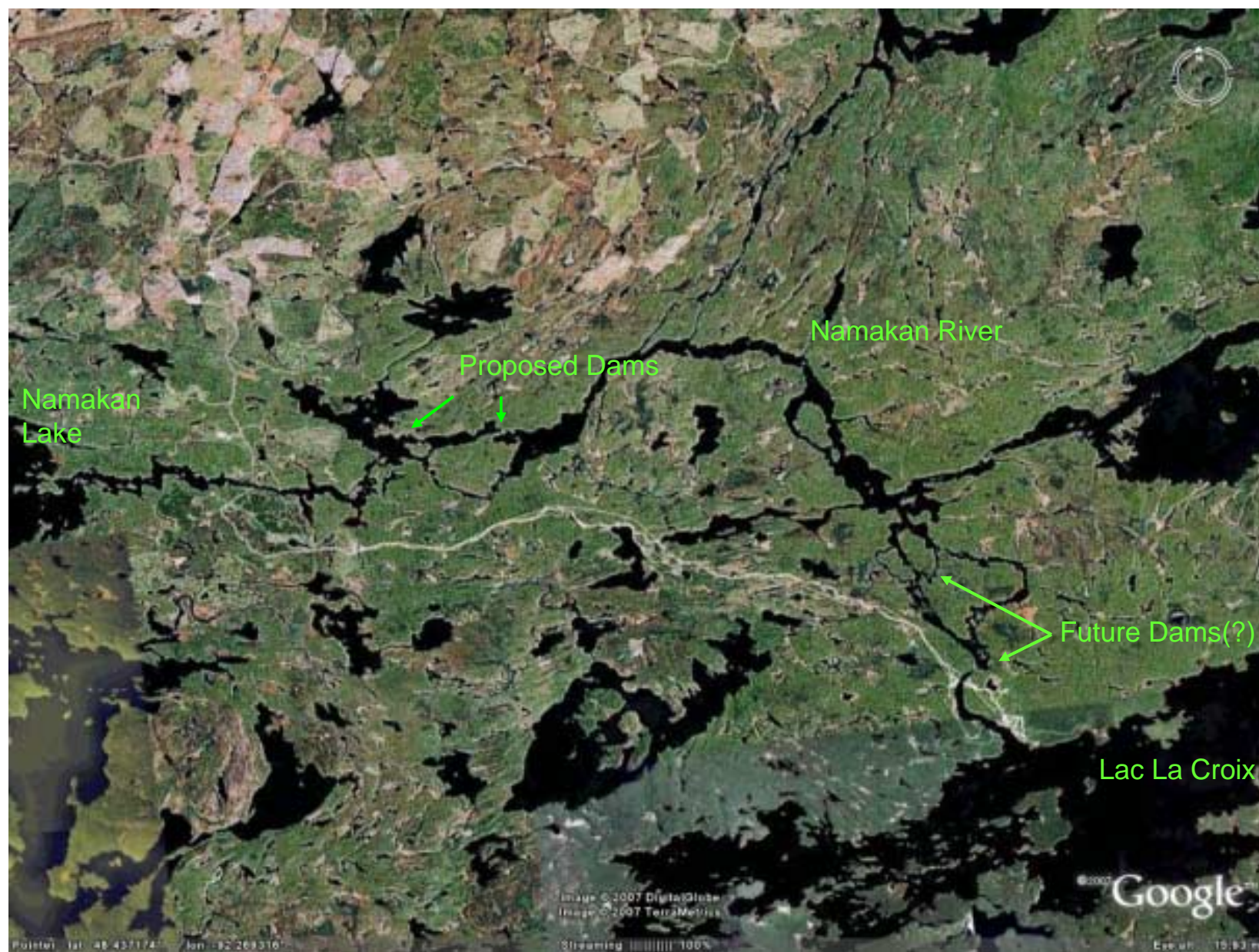
**Stephen H. Challis**



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# High Falls, June 2007

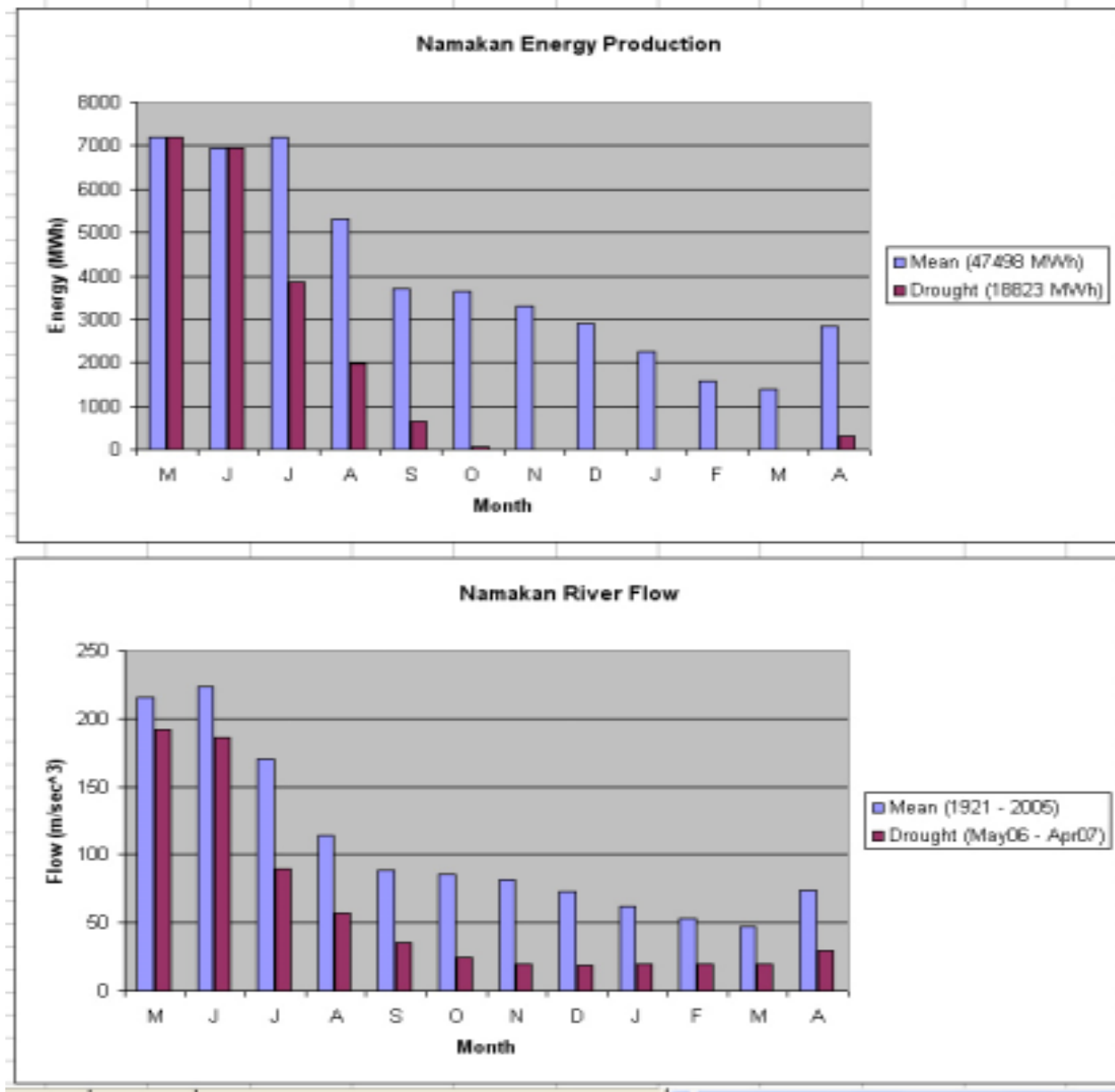


## Activities to Date

- Studying, asking questions of Principals (Band, Chant, MNR)
- Writing letters to key Canadian agencies (MNR, MOE, Fisheries Canada)
- Encouraging decision makers to seriously explore alternatives that provide an economic benefit to the LLCFN without damming the Namakan

# Current Assumptions

- 9.6 megawatts of power will be produced from proposed sites at High Falls and Hay Rapids, future development possible at Snake Falls and Myrtle Falls
- Project is economic development for the Lac La Croix First Nation
- No energy shortage in NW Ontario
- No way of exporting power to parts of the province where it is needed
- Project is likely to need subsidies at some level, very expensive
- Alternatives for economic development and regional planning have not been fully explored
- Proposed “run of the river” dams on the Namakan River could block passage both up and downstream for migrating fish such as sturgeon. The sturgeon, in this case, migrate from international waters.
- The proposed dams have the potential of disrupting the river’s natural course and flow, altering water temperatures, redirecting the river channels, and disrupting river continuity. As a result the aquatic community could be limited to the species that are able to withstand the altered flow conditions the river.





# Potential Impact on Fish Habitat

- Public reports and initial fisheries studies suggest that there are healthy populations of walleye, lake sturgeon and smallmouth bass in the River system. Potential negative impacts on these fisheries could include:
  - disruption to both upstream and downstream migration
  - de-watering of critical spawning areas (spring for walleye, lake sturgeon and fall for whitefish) = habitat loss.
- Along with this is the difficulty in providing adequate flows for aesthetics and navigation during open-water periods. There is also concern for wildlife habitat with re-routing the river through the Hay Rapids wetland.
- Sturgeon are reported to migrate to and from Namakan Lake through the River system. Lake sturgeon are a species of “special concern” in Minnesota, and proposed for “special concern” status in this area under species at risk legislation in Ontario and Canada.

# IJC Mission Statement

The International Joint Commission prevents and resolves disputes between the United States of America and Canada under the *1909 Boundary Waters Treaty* and pursues the ***common good of both countries*** as an independent and objective advisor to the two governments.

In particular, the Commission rules upon applications for approval of projects ***affecting boundary or transboundary waters*** and may regulate the operation of these projects; it assists the two countries in the ***protection of the transboundary environment***, including the implementation of the *Great Lakes Water Quality Agreement* and the improvement of transboundary air quality; and it alerts the governments to emerging issues along the boundary that may give rise to bilateral disputes.

# Why IJC Involvement?

- Namakan River is a main artery in the International Rainy River/LOW watershed
- Potential unintended consequences to boundary waters (e.g. impaired water quality and changed nutrient levels in Namakan Lake, water level disputes, lost fish habitat )
- Historic International Waterway
- There are only a few undeveloped waterfalls remaining in the region
- Potential disruption to transboundary fish migration
- The proposal flies in the face of historic, long-standing and good faith efforts that Minnesota and Ontario citizens have undertaken to protect an unique International ecosystem for future generations.

# Request to the IJC

- Consider the project to be International in scope and therefore become involved
- Follow the Namakan issue very closely as it proceeds and study the fisheries research and EA data
- Then, as appropriate, request an independent study of the potential impact that the Namakan Hydro Project would have on International waters including water levels, fisheries, tourism, and water quality and present the findings to the governments of Ontario, Canada, Minnesota, and U.S. Recommend that the Canadian and Ontario governments consider alternatives that would improve regional planning and as a priority provide economic development opportunities for the Lac La Croix First Nation.

# References

## History:

Hinselman, Miron: *The Boundary Waters Wilderness Ecosystem*: University of Minnesota Press 1999  
Peruniak, Shirley: *Quetico Provincial Park, An Illustrated History*, Vistainfo Can Inc. 2000  
Searle, Newell: *Saving Quetico-Superior, A Land Set Apart*: Minnesota Historical Society, 1977  
Rainy Lake Conservancy: *A Century of Wilderness Preservation in the Rainy Lake Watershed*, 2002

## Research on technology and impacts of dams:

Petts (1984); Yeager (1994); Ligon and Others(1995); Ward and Stanford, (1995); Poff and others,(1997); Ward and Stanford,1997; Born and Others, (1998); Malmquist and Englund, (1996); Collier and others, (1996); Church, (1995); Kondolf,(1997);  
Bradley, Ken: *New Energy Technology Alternatives to Dam Development*, 2004

## Other:

Ojibway Power and Energy Group, 226 Edward ST. Suite 2 Aurora, ON, L4G 3S8 (905-726-8321)  
<http://opeg.ca>  
Lac La Croix First Nation : [www.laclacroixfirstnation.com](http://www.laclacroixfirstnation.com)  
Ontario Waterpower Association: [www.owa.ca](http://www.owa.ca)  
Chant Construction: [www.chantconstruction.com](http://www.chantconstruction.com)





February 8, 2007

Mr. Tim Saville  
President  
Ojibway Power & Energy Group  
226 Edward Street, Suite 2  
Aurora, ON L4G 3S8

Dear Mr. Saville:

**Subject: Proposals to Develop Run-of-the-River Hydro Generating Stations**

I refer to your two recent letters both dated December 21, 2007 concerning two proposals to develop 1) two run-of-the-river hydro generating stations on the Namakan River southeast of Fort Francis and 2) a run-of-the-river hydro generating station on the Namakan River, at Myrtle Falls, southeast of Fort Frances, Ontario.

The International Joint Commission is an independent binational organization which was established under the Boundary Waters Treaty of 1909 between Canada and the United States. According to the Commission's Rules of Procedure, applications for Commission approval are submitted to the Commission through the government of the country in which the project will take place. (A copy of the treaty and of the Commission's Rules of Procedure is enclosed.) You may wish to consult the United States Relations Division of the Department of Foreign Affairs and International Trade to determine whether the Commission's approval would be required for the proposed projects.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "M. Clamen", is written over a light, circular stamp.

Murray Clamen  
Secretary  
Canadian Section

Enclosure

c.c.: Mr. T. Nussbaum, Director, U.S. Relations Division, Department of Foreign Affairs and International Trade, Ottawa  
Ms Elizabeth C. Bourget, Secretary, U.S. Section/IJC, Washington, DC

[www.ijc.org](http://www.ijc.org)