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### **Environmental Assessment Process Initiated for Lower Churchill Project**

Progress continues to be made on the potential development of the hydroelectric resource on the lower Churchill River and today Newfoundland and Labrador Hydro (Hydro) has registered the Lower Churchill Project with the required federal and provincial environmental regulatory agencies.

The Lower Churchill Hydroelectric Generation Project has been registered with the provincial Department of Environment and Conservation under the *Environmental Protection Act* (EPA) and a project description has been filed under the *Canadian Environmental Assessment Act* (CEAA).

“The undeveloped hydroelectric resource of the Churchill River is an integral part of our energy warehouse and its development has the potential to provide significant benefits and opportunities for the people of Newfoundland and Labrador,” said the Honourable Danny Williams, Premier of Newfoundland and Labrador. “The demand for clean, renewable and sustainable sources of energy is ever-increasing across Canada and the United States and the Lower Churchill Project presents a very competitive option in the electricity marketplace.”

Premier Williams said Newfoundland and Labrador Hydro is moving the project along on several fronts to ensure due diligence and best practices are followed in this development. A critical component of the project’s planning and execution schedule is the environmental assessment process.

“Government and Hydro are committed to a comprehensive and fully consultative environmental assessment process,” said Premier Williams. “In support of that commitment, the project has been filed and registered with the appropriate regulatory agencies at the earliest opportunity. This action also indicates there is significant progress being made as the project has not reached this stage in its development since 1991.”

The following components of the project have been filed with the federal and provincial regulatory agencies. The Gull Island facility will consist of a generating station with a capacity of approximately 2,000 MW and include:

- A dam 99 m high and 1,315 m long;
- A reservoir that is 225 km long and 200 km<sup>2</sup>, with a flooded area of 85 km<sup>2</sup>;
- A powerhouse that contains four to six Francis turbines.

The Muskrat Falls facility will consist of a generating station with a capacity of approximately 800 MW and include:

- A concrete dam with two sections on the north and south abutments of the river; the north section dam will be 32 m high and 180 m long, while the south section will be 29 m high and 370 m long.
- A reservoir that is 60 km long, and 107 km<sup>2</sup>, with a flooded area of 36 km<sup>2</sup>;
- A powerhouse that contains four turbines, with a combination of propeller and Kaplan units.

The interconnecting transmission lines in Labrador will consist of:

- A 203 km long, 735 kV transmission line between Gull Island and Churchill Falls; and,
- Two 60 km long, 230 kV transmission lines between Muskrat Falls and Gull Island.

The registration document that has been filed with the provincial and federal regulatory agencies at this time is focused on the two generating facilities and the required interconnecting transmission lines. When the transmission requirements for the power to be generated from the Lower Churchill Project are determined following the analysis of market access and destinations, those projects will be filed with the appropriate regulatory agencies and will be subject to an environmental assessment process.

“It is exciting to see this monumental project proceeding through to the required environmental assessment stage,” said the Honourable Kathy Dunderdale, Minister of Natural Resources. “Although a tremendous amount of work has already been done to bring the Lower Churchill Project to this point, we know we have a significant body of work before us with specific timelines we must meet to get us to project sanction in 2009. We are on track and today’s registration with the federal and provincial environmental agencies is another step toward our goal.”

Ed Martin, Hydro’s President and CEO, said the potential development of the Lower Churchill Project has been the subject of significant environmental studies for the past several decades and as such there is a comprehensive body of environmental assessment work completed. During 2006, Hydro commissioned a variety of environmental baseline studies to update previous information and to compile information on areas where limited study had been previously conducted.

Mr. Martin also noted that Hydro and Innu Nation are working together to undertake consultation within the Innu communities, to conduct negotiations toward an Impacts and Benefits Agreement (IBA), and to involve the Innu in environmental and technical work being carried out for the project, including working together on the environmental assessment for the project.

The Churchill River is an attractive, renewable, clean energy source. Once developed, the Lower Churchill Project will be a long-term, clean, stable source of energy for the

foreseeable future. The Lower Churchill Project can displace an estimated 16 mega tonnes of carbon dioxide emissions annually from comparable production from coal thermal generation. Combined with the existing Churchill Falls Generating Station, the three developments could produce the electrical equivalent of 225,000 barrels of oil a day - forever.

Throughout the environmental assessment process, Hydro will engage and consult with all stakeholders and the general public in this process through such forums as one-on-one stakeholder meetings, public meetings, and open houses. It is anticipated the consultation process will begin early in 2007.

“I encourage all Labradorians and Newfoundlanders to get involved in the consultations associated with the Lower Churchill Project,” said the Honourable John Hickey, Minister Responsible for Labrador Affairs. “It is clearly evident this development will have a tremendous positive impact on the province but particularly in Labrador. From employment and business opportunities, to development of infrastructure and a source of power, the benefits will be significant for Labrador.”

Copies of the registration document are available online at: [www.nlh.nl.ca](http://www.nlh.nl.ca).

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