

Ministry of the Environment

Environmental Assessment and
Approvals Branch

2 St. Clair Avenue West
Floor 12A
Toronto ON M4V 1L5
Tel.: 416 314-8001
Fax: 416 314-8452

Ministère de l'Environnement

Direction des évaluations et des
autorisations environnementales

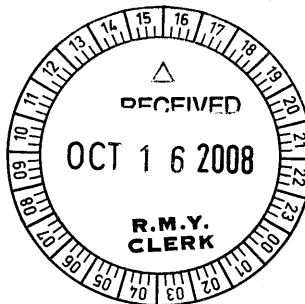
2, avenue St. Clair Ouest
Étage 12A
Toronto ON M4V 1L5
Tél. : 416 314-8001
Téléc. : 416 314-8452



ENV1283MC-2008-3609

October 9, 2008

Mr. Denis Kelly
Regional Clerk
The Regional Municipality of York
17250 Yonge Street
Newmarket ON L3Y 6Z1



REGION OF YORK
CLERK'S OFFICE
FILE No. - 107

Dear Mr. Kelly:

Thank you for your September 23, 2008 letter to the Minister of the Environment regarding the proposed natural gas powered electricity generating project for the Northern York Region area. Thank you also for copying the Minister of the Environment on Clause No. 1, Report No. 8 of the Planning and Economic Development Committee. I am pleased to reply on behalf of the Minister.

To ensure the environment is protected, electricity projects that have the potential to cause environmental impacts are subject to the *Environmental Assessment Act* by Ontario Regulation 116/01, the Electricity Projects Regulation. This regulation provides for natural gas generation projects, of the type proposed for the Northern York Region Power Procurement, to be planned and developed in accordance with the Environmental Screening Process (ESP). The ESP is a planning process which proponents must complete prior to implementing their project. The ESP is described in the "Guide to Environmental Assessment Requirements for Electricity Projects, March 2001". A copy of the guide may be obtained from the Ministry of the Environment's (MOE) web site at www.ene.gov.on.ca/envision/gp/4021e.pdf.

The ESP is a proponent driven, self-assessment process. Most electricity projects are being pursued by private sector proponents. Unless the provincial or municipal government is the proponent, a government body does not undertake an EA. The proponent is responsible for determining if the process applies to its project and for determining when to formally commence the process.

There are two possible stages of assessment under the ESP depending on the environmental effects of a project: a Screening stage and an Environmental Review stage. Proponents can decide to move to the Environmental Review stage if it is determined during the Screening stage

...2



Mr. Denis Kelly
Page 2.

that there remains potential environmental effects or public concerns that require further assessment and resolution. This is described on page 31 of the guide.

The Screening stage is required to be completed for all projects. Proponents must evaluate the project against screening criteria set out in the guide to identify the potential for any negative environmental effects that may be caused at any stage in the project life cycle, as well as describe mitigation measures and net effects of the project. The screening checklist in the guide includes criteria relating to some of the concerns raised in your letter, such as the efficiency of the proposed project, impact on land, air, and water resources and effects on agricultural lands. Consultation with the public and government agencies is a mandatory component of the ESP. The results of the ESP are documented in an Environmental Screening Report (ESR).

As with all projects planned under the ESP, a person or party with a concern should first bring the concern to the attention of the proponent as early as possible in the planning process. The proponent is required to attempt to address any issues or concerns directly with the party raising the concern and document the results of the ESP in the report.

I understand that most of the Qualified Applicants of the Northern York Procurement have issued a Notice of Commencement for their proposed facilities. I am aware Sithe Global Canada Power issued a Notice of Commencement in May 2008, for their proposed Sluse Road Peaking Station. Northland Power Inc. also issued the Notices of Commencement in June 2008 for their proposed Peaking Generation Station sites in the Township of East Gwillimbury, Town of Aurora, and the Miller Side Road and Pitway sites in the Township of King. I am also aware that TransCanada issued a Notice of Commencement for their proposed Bradford West Gwillimbury Generating Station in September 2008. I encourage you and any interested parties to raise any concerns you may have with the proponent regarding their proposed project(s) at this time.

At the end of the ESP, proponents are required to issue a Notice of Completion and report for a minimum 30-day public and agency comment period. A final opportunity to provide comments is given during this comment period. Further efforts to resolve concerns must be made by the proponent at that point.

If during this 30-day review period, there are still outstanding concerns regarding a project that cannot be resolved with the proponent, the concerned party can write to the Director of the MOE's Environmental Assessment and Approvals Branch (EAAB) to request that the proponent of the project be required to conduct an Environmental Review or an individual Environmental Assessment. The elevation request process is described in section B.4.1 of the guide. Where elevation requests are received by the Director, a proponent cannot proceed with implementation of the project until a final decision has been made on the elevation request(s).

Mr. Denis Kelly
Page 3.

Should you have further questions regarding the Environmental Assessment process, please contact Ms. Narren Santos, Program Support Officer, EAAB, at 416-314-8442 or by e-mail at narren.santos@ontario.ca.

Yours sincerely,



Agatha Garcia-Wright
Director
Environmental Assessment and Approvals Branch