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CITY OF REVELSTOKE

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March 29th, 2017

City of Revelstoke
PO Box 170
Revelstoke, BC
V0E 2S0

Attention: His Worship Mayor Mark McKee & Council

Re: Revelstoke Unit 6 Project

BC Hydro has applied for a second water licence for Revelstoke Dam and Generating Station. The application was submitted to the Comptroller of Water Rights (CWR) as required by the *BC Water Sustainability Act*.

Water Licence Application

As you may be aware, BC Hydro is currently pursuing regulatory approvals for the addition of a sixth generating unit at Revelstoke Dam and Generating Station (Revelstoke 6 Project). On February 28, 2017, we submitted an application for an Environmental Assessment Certificate with the provincial Environmental Assessment Office who will conduct an environmental review. We submitted an application for a new licence in mid-March 2017. The water licence application and the environmental review will be conducted concurrently.

The second water licence will allow us to operate the Generating Station at maximum power generating capacity when the sixth unit is installed. Although the Generating Station was licenced for six units when it was built in the 1980s, the newer generating units are more efficient than the original four, and can accommodate higher water flows. Discharge flows at maximum generation with six generating units would be 93,000 cubic feet per second (cfs). Our existing water licence allows us to use 90,000 cfs; the second licence would allow us to use an additional 3,000 cfs of water.

Application Process

As part of the application process, we are consulting with First Nations who have an interest in the Project area. We are also engaging with those identified in the *Water Sustainability Act* as having a potential to be directly affected by the licence application. These are authorization and change approval holders and applicants, riparian owners, and land owners whose land is likely to be physically affected if the application is approved. Therefore, as we work with the Comptroller of Water Rights on our application for a new licence, we would be interested in what effects, if any, our new licence may have on your property or water licence.

The CWR is currently screening our application to make sure it meets their requirements. Once their review is formally underway, the CWR will conduct their own referral process and may be in contact with you for any additional input.

Additional information regarding the Revelstoke Unit 6 Project is available at:
<https://www.bchydro.com/energy-in-bc/projects/revelstoke-unit-6.html>

More information regarding the Province's water licencing process is available at:
<http://www2.gov.bc.ca/gov/content/environment/air-land-water/water/water-licensing-rights/water-licences-approvals/apply-for-a-water-licence>

If you have any questions or comments about our water licence application process or any other aspect of the Project, please contact Jen Walker-Larsen at 250.814.6645 or jennifer.walker-larsen@bchydro.com.

Sincerely,



Chris Waite
Project Manager

Cc: Glen Davidson, Comptroller of Water Rights
Jen Walker-Larsen, BC Hydro Stakeholder Engagement

Attached:
Fact Sheet

**REVELSTOKE 6 PROJECT FACTSHEET
FOR DOWNSTREAM COLUMBIA RIVER PROPERTY OWNERS
March 2017**

BC Hydro is working to get the approvals we need to install and operate the sixth generating unit at Revelstoke Dam. We expect to need Revelstoke 6 sometime between 2021 and 2026.

PROJECT NEED

It is BC Hydro's responsibility to have generating capacity in place when BC's population and industrial growth demands more electricity. We expect electricity demand to grow by 40 per cent over the next 20 years and for electricity demand during peak demand periods to also continue to grow. If demand grows as currently forecast, we expect to need Revelstoke Unit 6 in 2026 to cover a capacity deficit during major maintenance work at Mica dam. Mica dam is aging and work is required on the four original generating units installed when the facility was constructed in the 1970's. Starting in 2026, the units will be out of service one at a time for 12 to 18 months, reducing Mica's capacity by 410 megawatts for up to six years. For contingency, we are pursuing regulatory approval of Revelstoke 6 now so it could be in-service as early as 2021. We need to be prepared in case the electricity demand grows more quickly than we expect and more capacity is needed sooner.

PROJECT APPROVALS

1. Environmental review

The project requires an environmental review that will assess the socio-economic and environmental effects of the project and put mitigation and compensation measures in place to address these effects. We submitted an application to the BC Environmental Assessment Office (EAO) on February 28, 2017. The EAO is currently screening the application to make sure it meets the requirements. Once the EAO accepts our application, they will make the application available to the public and conduct a public comment period. More information about the review and all documents are posted on www.eao.gov.bc.ca.

2. Additional water licence

We have applied to the provincial Comptroller of Water Rights (CWR) for a second water licence for Revelstoke Generating Station that would allow us to use an additional 3,000 cubic feet per second (cfs) of water to produce power. Although Revelstoke Dam was licenced for six units when it was built in the 1980's the new units are a little bit larger and a little bit more efficient than the older units and can accommodate higher water flows. At maximum generation with six generating units, discharge flows would be 93,000 cfs. Our current licence allows us to use 90,000 cfs.

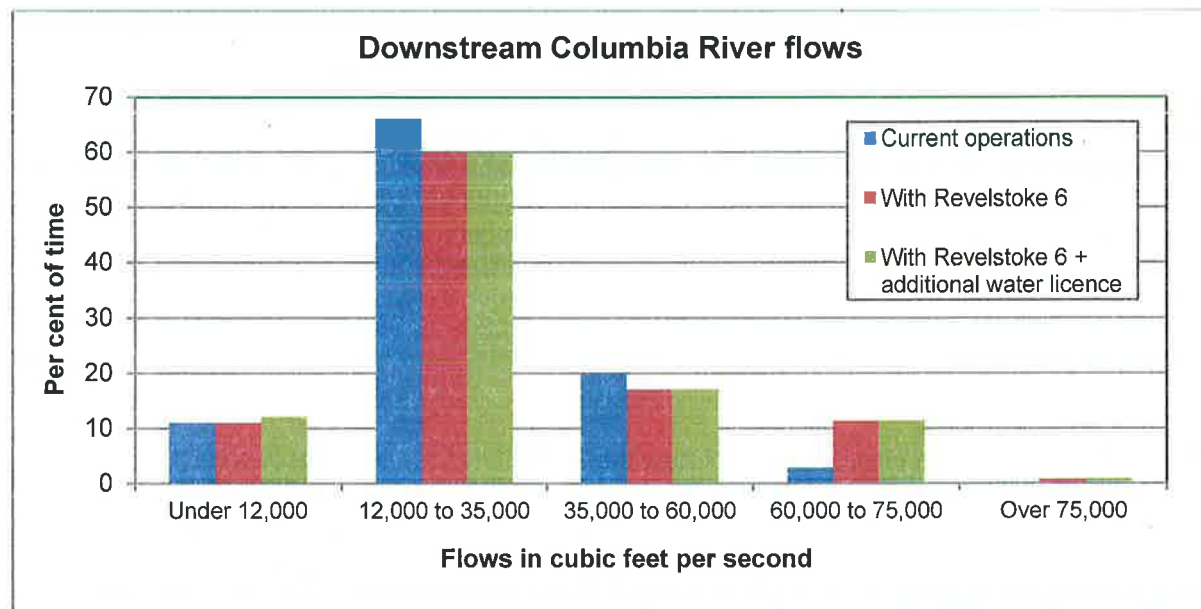
The CWR is currently screening our application to make sure it meets their requirements for a review under the *Water Sustainability Act*.

TO RECEIVE PROJECT UPDATES

We send out regular project updates by email. To receive these updates please contact Jen Walker-Larsen at 250.814.6645 or Jennifer.walker-larsen@bchydro.com.

CHANGES DOWNSTREAM FROM REVELSTOKE DAM WITH REVELSTOKE 6 AND ADDITIONAL WATER LICENCE

Although the average flows downstream from Revelstoke Dam will remain the same with Revelstoke 6, the pattern of flows will be different. In general, river flows will be at low levels about the same amount of time, medium flows (between 12,000 and 60,000 cfs) will occur less often, and higher flows over 60,000 cfs will occur more often. River flows over 75,000 cfs when the facility is running close to its maximum generating capacity will occur less than one per cent of the time.



Note: These flows represent expected discharge flows from Revelstoke Dam due to power generation only and do not include additional water that could be released over the dam spillway.

During the infrequent periods that Revelstoke Generating Station is running close to its maximum generating capacity, the water level in the river downstream will be higher. At flows of 93,000 cfs that represent peak generation with six units and a second water licence, we expect the river water level will be between 0.5 and 0.6 metres higher at the dam tailrace and between 0.4 and 0.5 metres higher at the Revelstoke Golf Course when compared to levels with current peak generation with five units. We do not expect the higher peak generation flows to cause flooding.

We completed a comprehensive erosion assessment as part of our application to the Environmental Assessment Office. The higher peaking flows with Revelstoke 6 and the second water licence are not expected to cause increased shoreline erosion downstream from Revelstoke Dam to the Highway 1 Bridge. In this area the riverbank areas susceptible to erosion, including the Revelstoke Golf Course, are already protected by rock rip rap.

MORE INFORMATION

For more information, please contact:

Jen Walker-Larsen

BC Hydro

250.814.6645

jennifer.walker-larsen@bchydro.com