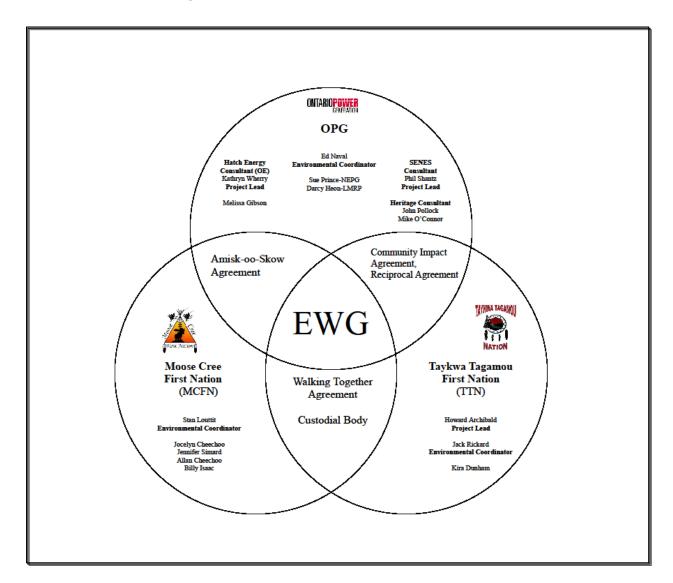


Environmental Working Group

Monthly Report

March 2011

ENVIRONMENTAL WORKING GROUPRelationship Organizational Chart



ACTIONS COMPLETED

- Weekly Environmental Working Group (EWG) and EWG/Kiewit Alarie, a Partnership (KAP) meetings.
 - > The EWG review its Action Items that include priority permit reviews, and deliverables to the Mattagami Extensions Coordinating Committee (MECC).
 - > KAP gives EWG a construction up date every week and discusses any upcoming issues and/or urgent permit reviews.
- Members of the EWG conducted an Environmental Due Diligence Audit on the Lower Mattagami Project Site on March 29 and 30. Ongoing work to complete the Environmental Audit continues, including analysis and development of the Audit report.
- The EWG Face to Face meeting was held on March 31, 2011, to discuss the preliminary results of the Audit and the upcoming Environmental Effects Monitoring Workshop on April 27 to 28.
- Preliminary Environmental Effects Monitoring Workshop Continuing coordination of logistics for workshop and confirmation of presenters/EWG attendee list.
- Preliminary Environmental Monitoring Plan and Workshop Framework revision of the EEM Workshop Framework and Plan to update and reflect EWG comments and most recent information.
- Smoky Falls Fish Habitat Compensation Plan Revision Involved in discussions with KAP regarding KAP's proposed changes to the current fish habitat compensation plan
- LEED green housekeeping ongoing discussions regarding potential options for green housing keeping products.
- Ongoing review and compilation of Traditional Ecological Knowledge (TEK) for the Lower Mattagami River Project.
- Determination of Project Environmental Reporting review schedule for EWG and presentation of the Reports to the MECC.

ACTIONS TO BE COMPLETED FOR 2011

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Draft of Traditional Ecological Knowledge in relation to the Lower												
Mattagami River Project.												
Environmental Effects Monitoring Workshop												
Environmental Assessment (EA) Variances – EWG Review and												
Submission to MECC												
EA Terms and Conditions Environmental Compliance Plan – EWG												Ì
Review and Submission to MECC.												
EWG Terms of Reference (ToR) – Submission to MECC												
EWG Work Plan – Submission to MECC												
EWG Environmental Due Diligence Audit #1												

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Environmental Audit – Accreditation Training												
EWG presentation to the MECC the LMRP "Operations Report" (fulfills												
Condition 4(a) of EA T&Cs).												
EWG present to the MECC "Fish Habitat Assessment Report", and												
"Baseline Fish Methyl Mercury Report" (fulfills Condition 4b. of EA												
T&Cs).												
EWG present to the MECC "Cost Benefit Analysis of Mitigating and												
Reducing Adam Creek Spill" (fulfills Condition 4(c) and (e) of EA T&Cs).												
EWG present to the MECC the methods and means of ensuring that												
restrictions on hunting and fishing (fulfills Condition 5(a) and (c) of EA												
T&Cs).												
EWG present to the MECC "Terrestrial Habitat Restoration												Ì
Downstream of Kipling GS" (fulfills Condition 4b. of EA T&Cs).												
EWG present to the MECC a Public Information Program to												
communicate the results of fish methyl mercury baseline reports												
(fulfills Condition 7(a) and (b) of EA T&Cs).												
EWG present to the MECC the cumulative effects data developed												Ì
during the Federal EA process (fulfills Condition 8(a) and (b) of EA												Ì
T&Cs).												
EWG present to the MECC the results and recommendations of												Ì
periodic re-evaluations (fulfills Condition 10 of EA T&Cs).												
EWG present to the MECC "Hydroelectric Generating Facilities												
Decommissioning Plan" (fulfills Condition 11(a) of EA T&Cs).												
EWG present to the MECC "The Noise Protocol Plan" (fulfills Condition												
18 of EA T&Cs).												ĺ

Construction Update

Construction

General

- Permanent Camp Phase 1 By the end of March most of Phase 1 was assembled and occupied and only a small number of staff were commuting from Kapuskasing. The kitchen was declared in-service as planned on April 1st.
- A Project-wide safety stand-down was held on March 2nd to review recent safety incidents.
- Batch Plant commissioning has been on-going throughout March.
- A Memorandum of Understanding (MOU) to settle issues around the permanent camp is close to completion and sign-off.
- The Permanent Camp Kitchen progressed well and successfully opened as planned on April 1st.

Smoky Falls

- Smoky Falls cofferdam dewatering was completed on March 10th. Pumping is removing minor seepage from the cofferdam area. Excavation of the intake area has begun with significant volumes being removed now that the cofferdam is successfully dewatered.
- Smoky Falls Island excavation continues of various elevations within the
 powerhouse, tailrace, and intake footprint. Overburden removal continues in
 concentrated area to the right side of the powerhouse footprint where rock was
 originally anticipated (Figure 1).



Figure 1: Smoky Falls Construction Site

Little Long

- The Little Long Communication tower was removed on March 1st.
- Cellular cofferdam grouting operations on the cofferdam continue to progress

well, and work is progressing on the pier and shore tie-in sections (Figure 2).

• The tower crane was erected, and by the end of March, performance testing and structural inspections were completed.



Figure 2: Shore tie-in at Little Long

Harmon

- The Manitowoc 2250 crawler crane (for cofferdam construction) underwent performance testing and received final approval for use.
- The cofferdam template was relocated from Little Long and modified for the Harmon cofferdam design.
- Tower crane pad work progressed during the month of March (Figure 3).
- On-going work to remove ice from the sluiceway was ongoing through March.



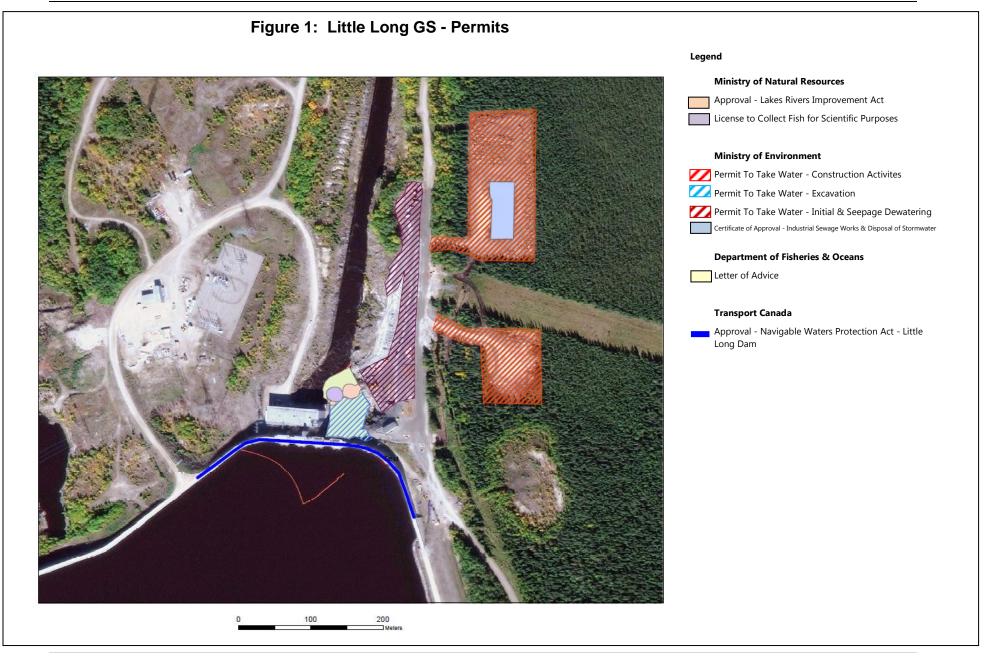
Figure 3: Overview of the Harmon Site

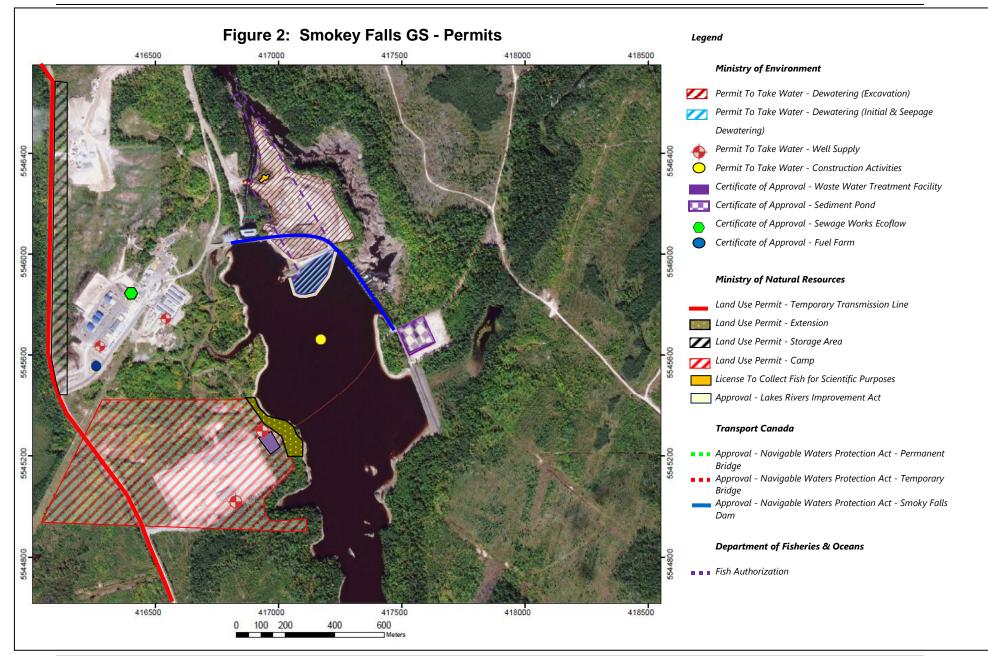
Kipling

 Preparations for the installation of the deflector wall for the spillway began late in March.

Monthly Summary – March 2011

SPILLS										
No. of Spills:		13; Sp	oill Reports 85-97							
Classification of Sp	oills:	Projec	Project Classification							
·		Mino	Minor – 9 Moderate – 3 Major – 0 To Water - 1							
			Ministry of the Environment (MOE) Classification							
			Non-reportable - 9							
		Repoi	Reportable to MOE							
			- Class C – 4							
			- Class B – 0							
			- Class A – 0							
Project Classification (KA Minor: ≤ 10L Moderate: Between 10L Major: ≥100L			MOE Classification Non-reportable: < 100L Reportable to MOE Class C - Less Serious							
To Water: Any amount is	s reportab	le to the Mo								
DECLIFETE FOR I	LEODA	I A TION	• Class A – Very Serious							
REQUESTS FOR II			(RFIS)							
No. Reviewed:	0	List:	,							
No. Sent to KAP:	1	List:	n/a							
PERMIT AND AP	PROVA	L REVIE	w							
No. Reviewed:	6	List:	 Smokey Falls (SF) Ministry of the Environment (MOE), Permit to Take Water (PTTW) Wells Amendment SF MOE Certificate of Approval (CofA) Wastewater Treatment Plant (WWTP) Amendment Little Long Extension - Application for Plans and Specifications Approval Kipling - MOE - C of A - Sediment Pond 							
No. Sent to KAP:	4	List:	 SF MOE PTTW Wells Amendment SF MOE CofA WWTP Amendment Little Long Extension - Application for Plans and Specifications Approval Kipling - MOE - C of A - Sediment Pond 							
See figures 1 to 4 approval.	below f	or site lo	ocation of the permits that have been or are pending							





Legend **Ministry of Natural Resources** Approval - Lakes Rivers Improvement Act **Ministry of Environment** Application Pending - Certificate of Approval -Sediment Pond Permit To Take Water - Dewatering **Department of Fisheries & Oceans** Letter of Advice **Transport Canada** Navigable Waters Protection Act Approval - Navigable Waters Protection Act -Temporary Bridge

Figure 3: Harmon GS - Permits

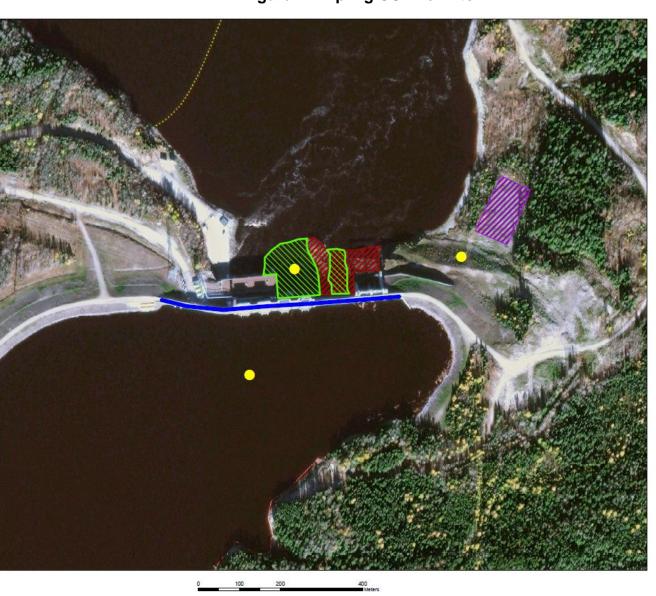


Figure 4: Kipling GS - Permits

Legend

Ministry of Natural Resources

Approval Phase 1A - Marine Access Pad

Department of Fisheries & Oceans

Letter of Advice

Ministry of Environmental

Application Pending for Certificate of Approval - Sediment Pond

Permit To Take Water – Dewatering

Transport Canada

Approval - Navigable Waters Protection Act - Kipling

Issues and Concerns

The schedule of the EA Terms and Conditions Compliance Plan requires the EWG
to coordinate the presentation of several reports to the MECC on a monthly basis.
Scheduling, timing and availability of presenters may not permit all of the
scheduled reports to be presented to the MECC. In order to stay on schedule the
EWG must find a way for the MECC to be given presentations on these reports.

Action Required: EWG look into the possibility of obtaining Web-ex capabilities to allow for presentations to be given to the MECC through the internet and teleconference.