ORDER

Section 34 Water Act of British Columbia

Authorization for extension of rights under Conditional Water Licences 130984 and 130985

Files: 0156743 and 0189364

IN THE MATTER of Conditional Water Licences 130984 and 130985 (the licences), held by BC Hydro & Power Authority (BC Hydro) which authorize in total the diversion and use of 124 cubic metres per second (m3/s) of water from Campbell River for power purpose in the replacement John Hart powerhouse to be located underground on District Lot 1124, Sayward District:

The licences are supported by storage of water from Campbell River in the reservoir of John Hart Lake as authorized by Conditional Water Licence 131060.

WHEREAS:

The John Hart Generating Station has been in operation since 1947 and BC Hydro determined the generating station is in need of a complete redevelopment. The existing dam will be retained; however the existing intake will be decommissioned and replaced with a new intake with low level outlet and environmental flow release system. In addition, the above ground wood-stave and steel penstocks, surge tanks, above ground powerhouse and tailrace will be replaced with a power tunnel, new surge tank, underground powerhouse with flow bypass, and tailrace tunnel.

The John Hart Redevelopment Project, including the underground powerhouse, will require approximately five years to construct.

During the construction period, BC Hydro will not be in a position to use their authorized water allocation in the underground powerhouse, the location authorized by the licences.

However, during the construction period, BC Hydro will be in a position to use the water in the existing powerhouse.

BC Hydro was the holder of Final Water Licences 126713 and 126721 (the superceded licences) which authorized in total the diversion and use of 124 m3/s of water from Campbell River for power purpose in the existing John Hart powerhouse located on the surface of District Lot 1124, Sayward District.

Section 34 of the *Water Act* provides that, if the Comptroller considers that no other supply is available at reasonable cost, the Comptroller may authorize a licensee to use water for other purposes, or on other land, than specified in the licence and set the terms;

NOW THEREFORE, **I HEREBY AUTHORIZE** BC Hydro to divert and use from Conditional Water Licences 130984 and 130985, at a maximum rate of 124 m3/s in total (38.45 m3/s and 85.55 m3/s from each licence, respectively), for power purpose in the existing John Hart powerhouse during the construction period for the John Hart Redevelopment Project.

The works authorized for the diversion and use of water under this authorization are the John Hart Dam on Campbell River denoted as PD30870 (the dam), and the intake on John Hart Lake denoted as PD185972, existing wood-stave and steel penstocks, surge tanks, existing John Hart powerhouse and tailrace (the existing works) all located approximately as shown on the plan attached to this Order, and ancillary works associated with the operation of the dam and powerhouse.

The conditions set out in clauses k), l), m), n), o) & p) of Conditional Water Licences 130984, 130985 and 131060 are not applicable to the authorization provided under this Order.

At least one year prior to requesting Leave to Commence Operation of the underground John Hart powerhouse, or one year prior to completion of construction of the John Hart Redevelopment Project, whichever is the sooner; BC Hydro must prepare a decommissioning plan for the existing works, in consultation with the appropriate regulatory agencies, and submit the plan to the satisfaction of the Comptroller.

This authorization will expire on December 31, 2019, or the date that Leave to Commence Operation is granted for the last generating unit to come on-line in the John Hart underground powerhouse, whichever is the sooner.

DATED AT Victoria, British Columbia, January <u>6</u>, 2014.

Pieter Bekker

Deputy Comptroller of Water Rights