

## **DISCLAIMER**

*TERMS OF USE:* This document is being provided by Hydro One Networks Inc. ("Hydro One") to the party to whom it is being provided ("the Requestor") because the Requestor asked Hydro One to do so. The Requestor's acceptance of this document is the Requestor's acknowledgment and agreement that: (a) Hydro One makes no representations or warranties (express, implied, statutory or otherwise) as to this document or its contents, including, without limitation, the accuracy or completeness of the information therein; (b) the Requestor's employees, directors and agents (the "Representatives") shall be responsible for their respective use of the document and any conclusions derived from its contents; (c) Hydro One will not be liable for any damages resulting from or in any way related to the reliance on, acceptance or use of the document or its contents by the Requestor or its Representatives; and (d) neither the Requestor nor its Representatives will provide this document or any of its contents to any third party.

All costing information contained in this document are preliminary and were prepared for option assessment purposes only.

~~P375745~~

P375745

**RIGHT OF WAY AGREEMENT**

**BETWEEN**

**HER MAJESTY THE QUEEN in right of Canada**

**and**

**HYDRO ONE NETWORKS INC.**

THIS AGREEMENT made this 6 day of Feb, 2001

BETWEEN:

HER MAJESTY THE QUEEN, in right of Canada, represented herein by the Minister of Canadian Heritage for the purposes of the Parks Canada Agency, ("Her Majesty"),

OF THE FIRST PART,

AND:

Hydro One Networks Inc., a body corporate, incorporated under the laws of the Province of Ontario and having its head office in the City of Toronto, in the said Province, ("Company")

OF THE SECOND PART.

WITNESS that in consideration of the fees, covenants and agreements herein reserved and contained on the part of the Company to be paid, observed, performed and kept, Her Majesty hereby grants the right to the Company to enter upon, use and occupy, including the use of all such mechanical and other equipment and material as is necessary for the purpose hereinafter mentioned and subject to the terms and conditions hereinafter contained, all that certain parcel or tract of land extending seventy-five (75) feet on either side of the centre line of the line hatched in black on the site plan attached hereto and forming part hereof, which shall be the location of the transmission line as installed, situate, lying and being in the proposed Pukaskwa National Park, in the Province of Ontario, (hereinafter called "the Land"); for a period of ten (10) years commencing on the eighth day of November 1999 and ending on the 7th day of November, 2009, (hereinafter called "the period").

The Company shall pay unto Her Majesty at the office of the Superintendent, for and during each year of the period, an annual fee as follows:

- i) for and during each year in the first five (5) year period of the term commencing on the eighth (8th) day of November, 1999 and ending on the seventh (7th) of November, 2004 an annual fee in the amount of One Hundred Dollars (\$100.00); and
- ii) for and during each year of the second five (5) year period of the term commencing on the eighth (8th) day of November, 2004, and ending on the seventh (7th) day of November 2009 an annual fee in an amount to be determined by the Minister, in accordance with its then current policy and practice.

The said annual fee to be paid on the eighth (8th) day of November in each year during the term, the first payment to be made on the day of execution of this agreement by the Company, the receipt whereof is hereby acknowledged.

ARTICLE 1.00 DEFINITIONS

1.01 In this Agreement:

- (a) "Head, Real Property Management" means the Head Real Property Management, Ontario Service Centre, Eastern Canada, Parks Canada Agency, or any person authorized to act in that behalf; and
- (b) "Minister" means the Minister of Canadian Heritage or such Minister designated by the Governor General in Council for the purposes of the Federal Real Property Act, or any person authorized to act in that behalf; and
- (c) "Park" means the proposed Pukaskwa National Park, in the Province of Ontario, and
- (d) "Parks Canada Agency" means Parks Canada Agency, a body corporate established under Section 3 of the Parks Canada Agency Act, S.C., 1998, c.31, as may be

  
INITIAL HERE

- amended, revised, consolidated or substituted from time to time; and
- (e) "Superintendent" means the Superintendent of the Park or any person authorized to act in that behalf.

**THE PARTIES COVENANT AND AGREE AS FOLLOWS:**

**ARTICLE 2.00 USE OF LAND**

- 2.01 (a) The Company acknowledges, agrees and it is a condition upon which this Agreement is entered into, that the land shall be used only for the purpose of operating, maintaining, inspecting, altering, renewing, replacing or repairing an electrical transmission line and equipment necessarily incidental thereto, together with the right of ingress and egress to and from the land for the employees, agents, vehicles, supplies and equipment of the Company for the purpose of inspecting, repairing and maintaining the transmission line and related equipment.
- (b) The Company shall comply with the provisions of all applicable statutes and regulations, as they may be amended, revised, consolidated or substituted from time to time, including without limitation, all laws concerned with environmental assessment and protection.
- 2.02 The Company shall not create or permit or suffer any act or thing on the land which is a nuisance.
- 2.03 The Company shall not cause, permit or allow the commission of any waste on or in the land.
- 2.04 The Company shall, at its own expense, collect and dispose of all garbage resulting from the use and occupation of the land, in a manner satisfactory to the Superintendent.
- 2.05 (a) The Company shall not cut down or permit the cutting down, interfere with or permit the interference with any timber, trees or other vegetation on the right-of-way, or impair or permit the impairment of the natural beauty of the land, except to the extent necessary for the reasonable exercise of the Company's rights hereunder, it being expressly understood that the Company shall not use any chemical defoliant on the right-of-way. The use of any herbicides is subject to the prior review and approval of the Superintendent.
- (b) Where the Superintendent agrees that any tree adjacent to the right-of-way endangers the electrical power transmission line, the Company shall at its expense remove such tree.
- 2.06 The Company shall observe fire and safety precautions and shall comply fully with the instructions of the Superintendent in relation thereto.

**ARTICLE 3.00 ACCEPTANCE, RESERVATIONS AND EXCEPTIONS**

- 3.01 The Company declares that:
  - (a) it has inspected the land and any structures, fixtures, buildings and other improvements thereon, or has caused them to be inspected on its behalf;
  - (b) it has entered into this Agreement on reliance on that inspection and not on reliance on any representation, whether oral, written or implied, by whomsoever made;
  - (c) it will accept the land and any structures, fixtures, buildings and other improvements thereon in the condition existing on the date of this Agreement, and
  - (d) it has satisfied itself of everything and of every condition affecting the land.

  
**INITIAL HERE**

- 3.02 (a) In addition to any other legal, equitable or contractual right Her Majesty may have, Her Majesty reserves unto Herself, Her officers, servants, agents, workers and contractors, the right to enter the land at all reasonable times with vehicles, equipment and materials as may be required for the purpose of laying, installing, and at all times for repairing or maintaining all utilities including water, gas, telephone and sewers over, across, under or through the land, without payment of compensation to the Company;
- (b) Her Majesty will restore the land disturbed by the entry referred to in (a) to a state as close as practicable to that which it was in immediately prior to the entry; and
- (c) No interest in the utilities system referred to in (a) which may be laid or installed over, across, under or through the land will pass to the Company under this Agreement.
- 3.03 For greater certainty and clarity, the right granted herein does not include mines, minerals or any legal or equitable right to work or exploit any resource on or under the land.
- 3.04 The Company shall permit all visitors to the Park to pass freely at all times over any trail which may cross the land.
- 3.05 (a) Where the land or any part thereof is required by Her Majesty for the purpose of administration of the Park or for any other public purpose, Her Majesty, Her officers, servants and agents may enter and use the whole or any part of the land on the expiration of such notice as the Minister may deem expedient.
- (b) If Her Majesty requires that the transmission line or any portion thereof be relocated or altered, Her Majesty shall pay the cost thereof.
- 3.06 (a) It is understood and agreed that the land may be used by other public utilities, municipal bodies or persons if granted an easement, Agreement or lease by Her Majesty. Her Majesty retains the right to grant easements, Agreements or leases on, over or under the land to any public utility, municipal body or person Her Majesty desires and under any terms and conditions Her Majesty deems desirable. The Company hereby consents to the granting by Her Majesty of any such easement, Agreement or lease. Prior to the construction of any works the subject matter of any easement, Agreement or lease within the land, the recipient of such easement, Agreement or lease will be required to submit plans for the review of the Company and the Superintendent and to obtain the written consent of the Company to enter or construct so as to ensure that no conflict will exist between the parties as regards the installation of the works.
- (b) If, at any time during the term, the right-of-way or any part thereof is required for the carrying out of any public purpose, Her Majesty, Her servants, agents and contractors may carry out that public purpose on the right-of-way or part thereof so required upon the expiration of such notice to the Company as the Minister deems expedient under the circumstances and in so doing will cause as little interference as is reasonably possible to the rights given hereunder to the Company.
- (c) Notwithstanding subsection (b), Her Majesty will not construct any buildings or structures on the right-of-way during the term of this Agreement without the prior consent of the Company.

**ARTICLE 4.00 ACCESS**

4.01 The Company shall be permitted to gain access to the right-of-way by the Umbata Road and Reagan Road, so called, until a new access is available at which time it shall use the new access. The Company shall notify the Superintendent, in advance, of its intention to enter upon the right-of-way for maintenance and operational purposes, as set out in the 1991 Environmental Assessment Report.

  
**INITIAL HERE**

- 4.02 In emergencies, including structural failure or outage on the transmission line, the Company shall have the right to use the quickest and most efficient means of access to the point of failure, it being expressly understood, however, that the Company will not without the prior approval of the Superintendent, use any means that involves the cutting or knocking down of timber or trees or other damage to the Park outside the right-of-way.
- 4.03 The Company may, with the prior approval of the Superintendent, improve existing access roads within the Park and leading to the right-of-way, at the expense of the Company.
- 4.04 (a) To the extent that the use of aircraft by the Company in carrying out the purposes of this Agreement is reasonable and proper, the Company may employ helicopters which shall land on and take off from the right-of-way save that, in an emergency, the Superintendent may permit landing in the Park outside the right-of-way.
- (b) Notwithstanding subsection (a) the Company, with the prior permission of the Superintendent, may use water based planes from time to time as required on official business and such planes may land on and take off from waters within the Park.

#### ARTICLE 5.00 TAXES AND OTHER CHARGES

- 5.01 The Company covenants and agrees to pay the annual fee and all taxes, rates, duties, assessments or other impositions whatsoever charged upon the land in relation to the Company's use of the Land or upon the Company or occupier in respect thereof, or payable by either in respect thereof.

#### ARTICLE 6.00 ENVIRONMENTAL PROTECTION

- 6.01 The Company covenants and agrees that all of its activities on the Land shall be conducted in compliance with all applicable statutes, regulations, by-laws, rules, declarations, directives and orders concerned with environmental assessment and protection as they may be amended, revised, consolidated or substituted from time to time.
- 6.02 The Company covenants and agrees that:
- (a) environmental assessments relating to its physical works and activities on the Land shall be conducted in accordance with the *Canadian Environmental Assessment Act*, Statutes of Canada, 1992, Chapter 37, or any successor or similar legislation and regulations made thereunder, and all applicable federal policies and procedures as they may be amended, revised, consolidated or substituted from time to time; and
- (b) any specifications, mitigative measures and environmental protection measures as set forth in the environmental assessment referred to in sub-article (a) shall become conditions which form part of this Agreement.
- 6.03 The Company covenants and agrees to ensure that no contaminants, pollutants, or toxic, dangerous or hazardous substances or materials as defined under any applicable statutes, regulations, by-laws, ordinances, requirements or orders imposed by any competent authority, shall be used, emitted, discharged, stored or disposed of except in strict compliance with such statutes, regulations, by-laws, ordinances, requirements or orders.
- 6.04 The Company covenants and agrees to provide the Minister with written notice of any anticipated or actual adverse environmental impacts attributable to the use of the Land immediately upon discovery by the Company, and if the Minister considers remedial action to be necessary, the Company hereby agrees to undertake remedial action immediately using the appropriate technology, design or repair to the satisfaction of the Minister and pay the costs of such remedial action. Furthermore, the Company agrees that all such remedial

  
INITIAL HERE

action shall be undertaken in accordance with all applicable laws, regulations, orders and approvals and in a manner so as to minimize any impact on the Land and elsewhere.

6.05 The Company covenants and agrees that should the Company fail to take any mitigative measures required by the Minister as set forth in sub-article .02(b), fail to comply with the covenants set forth in sub-article .03, or the remedial action required in sub-article .04, the Minister may, on written notice to the Company, complete the required mitigative measures or remedial action and charge the costs thereof to the Company and such costs will constitute a debt due and owing to Her Majesty and shall be payable upon demand.

**ARTICLE 7.00 DUTY TO MAINTAIN AND RIGHT OF INSPECTION**

7.01 The Company covenants and agrees that:

- (a) it shall be solely responsible for any and all costs incurred in keeping the right-of-way cleared to the extent necessary for the reasonable exercise of the Company's rights hereunder. Such schedule and means of clearing shall firstly be approved by the Superintendent.
- (b) it shall maintain the land, all structures, fixtures, buildings and other improvements thereon in a good state of maintenance and repair, and free from hazardous or toxic materials, substances, pollutants, contaminants or wastes and further, if the Company fails to make such repairs or remedy such condition after receiving thirty (30) days' notice in writing from the Superintendent, the Superintendent may enter the land, all structures, fixtures, buildings and other improvements thereon, make the said repairs, or remedy such condition, and charge the costs thereof to the Company and such costs will constitute a debt due and owing to Her Majesty and shall be payable upon demand; and
- (c) the Superintendent or his agents will be entitled to enter and inspect the land, all structures, fixtures, buildings and other improvements thereon at all reasonable times during the period, for the purpose of inspecting and ascertaining the condition or state of repair thereof, or verifying that the covenants and other provisions of this Agreement are being complied with.

**ARTICLE 8.00 SUBMISSION OF PLANS AND SPECIFICATIONS**

- 8.01 (a) Prior to the commencement of any construction on the Land, the Company shall submit in quadruplicate, for the approval of the Superintendent, plans and specifications of such construction, in a form satisfactory to the Superintendent. Upon completion of the construction, the Company shall submit as built drawings of the construction to the Superintendent.
- (b) If the Company proposes to make any additions or alterations to the Land or to the appurtenances thereon or to construct any new improvements on the Land, then the Company shall submit its proposal together with plans and specifications of such alterations, additions or construction to the Superintendent for his approval in accordance with the current private development approval process applicable in the Park, and if the proposal and the plans and specifications therefor are approved by the Superintendent, such alterations, additions or construction will be completed within such reasonable time as the Superintendent may allow, and the Company shall maintain such alterations, additions or construction in a good state of maintenance and repair.

**ARTICLE 9.00 REMOVAL OF IMPROVEMENTS**

9.01 Unless otherwise requested by the Superintendent, the Company shall, upon expiration or prior termination of this Agreement and within the time specified by the Superintendent,

  
**INITIAL HERE**

sever and remove from the Land its transmission line and equipment incidental thereto, and all structures, fixtures and other improvements which have been affixed or placed on the Land at the expense of the Company. If the Company is in breach of this Article, the Superintendent may remove the transmission line and equipment incidental thereto, and the structures, fixtures, buildings and other improvements from the land and charge the costs thereof to the Company, and such costs shall constitute a debt due and owing to Her Majesty and shall be payable upon demand.

**ARTICLE 10.00 ALIENATION**

- 10.01 The Company shall not transfer or assign this Agreement or any of the rights hereunder except with the prior consent in writing of the Minister. Any action by the Company under this Article except with such prior consent is void.
- 10.02 A transfer of the shares of the Company to others who are not shareholders thereof which would have the result of giving those others effective control of the Company, or any other change in the corporate structure of the Company which would have the same result, shall require the written consent of the Minister.
- 10.03 The Company or a legal representative of the Company shall provide to the Superintendent, within thirty (30) days from the date of issuance, an original, duplicate original or certified true copy of any of the following listed documents relating to the Company or to the Land:
  - (a) evidence of change of name;
  - (b) evidence of amalgamation or dissolution in the case of a corporate body; and
  - (c) any court orders affecting the Land.

**ARTICLE 11.00 LIABILITY AND INDEMNITY**

- 11.01 The Company shall not have any claim or demand against Her Majesty or any of Her servants, agents, contractors and all of those for whom Her Majesty may at law be responsible, for detriment, damage, accident or injury of any nature whatsoever or howsoever caused to the Land or to any person or property thereon except in the case of the negligence of Her Majesty, Her servants and agents.
- 11.02 The Company shall at all times indemnify and save harmless Her Majesty or any of Her servants, agents, contractors and all those for whom Her Majesty may at law be responsible, from and against all claims, demands, losses, costs, damages, actions, suits or proceedings by whomsoever made, brought or prosecuted in any manner based upon, arising out of, related to, occasioned by or attributable to the execution of this Agreement or any action taken or things done or maintained by virtue hereof, or the exercise in any manner of rights arising hereunder, not including acts or omissions on the part of any officer, servant, agent or employee of Her Majesty as would in law constitute negligence or willful misconduct.

**ARTICLE 12.00 INSURANCE**

- 12.01 The Company covenants and agrees that:
  - (a) Forthwith upon execution hereof, and at all times during the period, the Company shall maintain at its own expense, comprehensive general public liability insurance against claims for personal injury or death and property damage or loss arising out of all operations of the Company as would a prudent owner of similar premises, such insurance shall protect Her Majesty and the Company in such minimum amount as the Superintendent may require from time to time, and Her Majesty shall be an additional named insured in the insurance policy, which shall contain a cross-

INITIAL HERE



liability clause protecting Her Majesty against claims by the Company as if Her Majesty were separately insured and protecting the Company against claims by Her Majesty as if the Company were separately insured.

- (b) At all times during the period, the Company shall maintain at its own expense all risk tenants' legal liability insurance, as would a prudent owner of similar premises. Such insurance shall protect Her Majesty and the Company in such minimum amount as the Superintendent may require from time to time, and Her Majesty shall be an additional named insured in the insurance policy, which shall contain a cross-liability clause protecting Her Majesty against claims by the Company as if Her Majesty were separately insured and protecting the Company against claims by Her Majesty as if the Company were separately insured.
- (c) The Company shall maintain during the period all risk insurance in its chattels, fixtures and leasehold improvements in the Land as would a prudent owner of similar premises. Such insurance shall protect Her Majesty and the Company in such minimum amount as the Superintendent may require from time to time, and Her Majesty shall be an additional named insured in the insurance policy, which shall contain a cross-liability clause protecting Her Majesty against claims by the Company as if Her Majesty were separately insured and protecting the Company against claims by Her Majesty as if the Company were separately insured.
- (d) The Company shall forthwith after request by Her Majesty provide evidence of the insurance required to be carried by the Company hereunder from time to time; and
- (e) it shall not do or omit to do or allow anything to be done or omitted to be done on the Land which will in any way impair or invalidate such insurance referred to herein.

## ARTICLE 13.00      DEFAULT AND TERMINATION

### 13.01    In the event that:

- (a) any portion of the annual fee hereby reserved is unpaid for more than thirty (30) days after becoming due, whether formally demanded or not; or
- (b) the Company fails to perform, observe or keep any of the other covenants and provisions herein contained,

the Minister may, by notice in writing, require the Company to remedy any such default.

If in such a case, the Company does not remedy such default within the time prescribed, Her Majesty may, by notice in writing, terminate this Agreement and on the day specified in the notice of termination, this Agreement will terminate, whether or not Her Majesty has re-entered the Land.

### 13.02    Notwithstanding anything herein contained, if the Company should at any time during the period hereof:

- (a) make an assignment for the benefit of creditors;
- (b) be adjudged a bankrupt or insolvent;
- (c) file any petition or institute any proceedings under any bankruptcy or insolvency legislation seeking to effect reorganization or a composition; or
- (d) be subject to the appointment of a receiver or trustee who is not discharged within sixty (60) days from the date of such appointment,

  
INITIAL HERE

it will be lawful for Her Majesty, without notice to the Company, to declare the period ended and this Agreement terminated and thereupon, these presents and everything herein contained and the period will absolutely cease, terminate and be void without re-entry or any other act or any suit or legal proceedings to be brought or taken, provided Her Majesty will nevertheless be entitled to recover from the Company the annual fee then accrued.

**13.03** Termination of this Agreement pursuant to any of the provisions herein shall be wholly without prejudice to the right of Her Majesty to recover arrears of the annual fee or any other right of action by Her Majesty in respect of any antecedent breach of any covenant or other provision herein contained, and the rights shall survive the termination of this Agreement, whether by act of the parties or by operation of law.

**13.04** Within one year of the expiration or prior termination of this Agreement, the Company shall, unless otherwise mutually agreed upon between the parties, remove from the right-of-way the transmission line as well as all buildings, structures or other appurtenances incidental thereto placed or erected or caused to be placed or erected on the right-of-way by the Company, and the transmission line and such buildings, structures or appurtenances are hereby deemed to be the property of the Company.

**ARTICLE 14.00            CONDITION OF THE LAND UPON EXPIRATION OR PRIOR TERMINATION**

**14.01** The Company covenants and agrees that:

- (a) upon the expiration or prior termination of this Agreement, it shall leave the Land, all structures, fixtures, buildings and other improvements thereon free from hazardous or toxic materials, substances, pollutants, contaminants or wastes and in a good state of maintenance and repair, normal wear and tear excepted; and
- (b) if, upon the expiration or prior termination of this Agreement, it fails to comply with the provisions of (a), the Superintendent may require the Company to remedy the condition of the Land, all structures, fixtures, buildings and other improvements thereon within thirty (30) days or such longer period as the Superintendent may at his sole discretion deem warranted, and acting reasonably ; and if the Company fails to so remedy the condition thereof within the time prescribed, the Superintendent may enter the Land, all structures, fixtures, buildings and other improvements thereon, remedy the condition thereof and charge the costs thereof to the Company and such costs will constitute a debt due and owing to Her Majesty and shall be payable upon demand.

**ARTICLE 15.00            DISPUTES**

**15.01** In the event that any question or dispute arises between the parties hereto over any of the covenants and other provisions of this Agreement or the interpretation thereof on its effect, which the parties are unable to resolve by agreement, the same shall be referred to the Federal Court of Canada for determination.

**ARTICLE 16.00            NOTICE**

**16.01** Any notice required by or affecting this Agreement may be served upon the parties hereto by sending it by registered mail, telegram or other electronic message which provide a hard copy, postage or charges prepaid addressed to:

- (a) in the case of Her Majesty;



Superintendent,  
Pukaskwa National Park,  
Heron Bay, Ontario  
P0T 1R0

and

(b) in the case of the Company;  
Hydro One Networks Inc.  
7676 Woodbine, Suite 300  
Markham, Ontario  
L3R 2N2

the Company's last known address, or to the Land itself, or by leaving it at that address, or by personally serving it upon the party referred to therein.

Any notice addressed by registered mail to Her Majesty or to the Company pursuant to this Article will be deemed to have been effectively given on the seventh (7th) business day following the date of mailing. Such addresses may be changed from time to time by either party giving notice as provided herein. In the event of any disruption of postal service, notices will be personally served upon the parties hereto.

**ARTICLE 17.00 MISCELLANEOUS**

- 17.01** A waiver, condonation, forgiveness or forbearance by either party hereto of the strict performance by the other of any covenant or provision of this Agreement shall be in writing and will not of itself constitute a waiver of any subsequent breach of that covenant or provision or any other covenant or provision thereof. The failure of Her Majesty to require the fulfilment of any obligation of the Company or to exercise any rights herein contained will not constitute a waiver or acquiescence or surrender of those obligations or rights.
- 17.02** If for any reason any covenant or provision contained in this Agreement, or the application thereof to any party, is to any extent held or rendered invalid, unenforceable or illegal, then such covenant or provision shall be deemed to be independent of the remainder of this Agreement and to be severable and divisible from this Agreement. The invalidity, unenforceability or illegality shall not affect, impair or invalidate the remainder of this Agreement or any part thereof. The intention of Her Majesty and the Company is that this Agreement would have been executed without reference to any portion which may, for any reason and extent, be declared or held invalid, unenforceable or illegal.
- 17.03** The parties hereto specifically covenant and agree that no partnership, joint venture or any agency relationship is created or intended to be created between Her Majesty and the Company pursuant to this Agreement.
- 17.04** No Member of the House of Commons will be entitled to any share or part of this Agreement or to any benefit to arise therefrom.
- 17.05** The Company hereby confirms that it has not, nor has any person on its behalf, given, promised or offered to any official or employee of Her Majesty for or with the view to obtaining this Agreement, any bribe, gift or other inducement and that it has not, nor has any person on its behalf, employed any person to solicit or secure this Agreement upon any agreement for a commission, percentage, brokerage or contingent fee.
- 17.06** Time is of the essence of this Agreement and all of the provisions hereof.
- 17.07** No implied terms or obligations of any kind on behalf of Her Majesty will arise from anything in this Agreement or any improvements effected by the Company, and the express covenants and agreements herein contained and made by Her Majesty are the only covenants and agreements upon which any rights against Her Majesty are to be founded.

  
**INITIAL HERE**

- 17.08 No exercise of any specific right or remedy of Her Majesty will prejudice or preclude Her Majesty from exercising any other right or remedy provided by this Agreement or allowed at law or in equity. No right or remedy provided to Her Majesty by this Agreement or at law or in equity shall be exclusive or dependent upon any other such right or remedy, and Her Majesty may, from time to time, exercise any one or more such rights or remedies independently or in combination.
- 17.09 The captions and headings throughout this Agreement are inserted for convenience of reference only and are not intended to describe, define or limit the scope, extent or intent of this Agreement or any provision thereof.
- 17.10 Every provision herein contained will enure to the benefit of and be binding upon Her Majesty, Her heirs, successors and assigns and the Company and its permitted successors. When the context so requires or permits, the singular number will be read as if the plural were expressed, and the masculine gender as if the feminine or neuter, as the case may be, were expressed.
- 17.11 No representations, warranties or conditions have been made to the Company in respect of the Land by Her Majesty, Her servants, agents and employees.
- 17.12 This Agreement constitutes the entire agreement between the Company and Her Majesty with respect to the subject matter of this Agreement. There are no collateral warranties or agreements.

**IN WITNESS WHEREOF**, Brian G. Thompson, Head Real Property Management, Parks Canada Agency, on behalf of Her Majesty has hereunto set his hand and seal and Hydro One Networks Inc. has hereunto affixed its corporate seal attested to by its proper signing officers duly authorized in that behalf.

**SIGNED, SEALED AND DELIVERED** )

by Brian G. Thompson, Head, Real Property )  
 Management Parks Canada Agency, on behalf of )  
 Her Majesty in the presence of )

*Pamela Hamarche*  
 Witness

*B. Thompson*  
 Brian G. Thompson  
 Parks Canada Agency

**SEALED, DELIVERED AND ATTESTED TO** )

by Robert E. Thomson, Real Estate Acquisition )  
 Manager, Hydro One Networks Inc. )  
 and by )  
 the )  
 of )

*Robert E. Thomson*  
 Robert E. Thomson  
 Hydro One Networks Inc.  
*E. Meadrick*  
 Witness

6/2/01

**Distribution List**

**Pukaskwa EE**

**Background**

Rob, attached is a copy of the environmental evaluation negotiated with officials from Pukaskwa National Park as required for renewal of the 10 year licence of occupation. The original agreement expired at end of 2002  
*John Bowen*

The renewal of the park licence requires preparation of an environmental evaluation. The attached report is the result of negotiations, which started in early 2003. The major environmental impacts are associated with forestry work but reference is also made to line and helicopter activities.

Prior to finalization input was sought from lines, forestry and helicopter services.

Name	Location	Maps	Actions
Barrie Williams	BAA		
Dan Santerre	TB2	X	
✓ Steve Woodward	TCT15		
Kent Lewis	F17	X	
Bill Schnarr	TB2	X	
✓ John Hawkins	TCT15		
Pat Burke	NEB		
Noel Wylie	TCT15	X	2 copies- one to Record center
Keith Wade- Park		X	
Dan Couchie-Park		X	

✓ Rob Thomson TCT15

John Bowen

*John Bowen*  
Copies for you & Steve, maps are on C.O.  
*John Bowen*

P375745

PUKASKWA NATIONAL PARK

ENVIRONMENTAL EVALUATION

HYDRO ONE RIGHT-OF-WAY MAINTENANCE  
ACTIVITIES



Prepared by Hydro One  
Provincial Lines and Forestry  
February 2004



1

P375745

# TABLE OF CONTENTS

	<u>Page</u>
1.0 INTRODUCTION	3
2.0 BACKGROUND STATEMENT	3
3.0 DESCRIPTION OF REQUIRED MAINTENANCE ACTIVITIES	4
3.1 Transmission Line Maintenance	4
3.1.1 Helicopter patrols	4
3.1.2 Line patrols	5
3.2 Transmission Right-of-way Maintenance	5
3.2.1 Brush control	5
3.2.2 Line clearing	7
3.3 Access road upgrading/maintenance	7
3.4 Emergency work activities	8
4.0 IDENTIFICATION OF POTENTIAL ENVIRONMENTAL IMPACTS OF HYDRO ONE MAINTENANCE ACTIVITIES AND MITIGATING ACTIONS	8
4.1 GENERAL IMPACTS	8
4.1.1 Invasive species	8
4.1.2 Access road upgrading	9
4.1.3 Waste disposal	9
4.1.4 Refueling, equipment maintenance and hazardous material handling	9
4.1.5 Impacts to soils	9
4.1.6 Interaction with wildlife	10
4.1.7 Special Treatment areas/species at risk	10
4.2 TRANSMISSION LINE MAINTENANCE – POTENTIAL IMPACTS	10
4.2.1 Helicopter Line Patrols	10
4.2.2 Line Patrols	10
4.2.3 Line Facility Repairs	11
4.3 TRANSMISSION RIGHT-OF-WAY MAINTENANCE- POTENTIAL IMPACTS	
4.3.1 Forestry Line Clearing	11
4.3.2 Brush Control	11
5.0 CONCLUSIONS AND RECOMMENDATIONS	13
6.0 Appendix 1-Special Treatment Sites	14
7.0 Appendix 2- Maps	17

P375745

## 1.0 INTRODUCTION

This report presents an environmental evaluation of the proposed maintenance activities required on the 230,000 Volt (230kv) transmission line owned and operated by Hydro One Networks Incorporated (Hydro One), which passes through Pukaskwa National Park.

Hydro One's licence of occupation with the Canadian Parks Services was renewed in 2001. This report is an update to the original environmental evaluation completed for the first licence of occupation in 1991 and is intended to cover the period of the new licence.

## 2.0 BACKGROUND STATEMENT

Hydro One's 230 kV transmission line from Wawa TS (Transformer Station) to Marathon TS passes through the northeast corner of Pukaskwa National Park. The double circuit, steel tower line commonly known as the East-West Tie Line, was constructed in the late 1960's and came into service in 1970. The line is the single link between Hydro One's east system and northwestern Ontario and as such is of critical importance.

Pukaskwa was established as a park reserve in 1972, and in 1978 a land transfer agreement was signed between the Province of Ontario and the Federal Government creating Pukaskwa National Park. The Provincial/Federal agreement provided that Hydro One would be granted the right by Parks Canada for the continued operation of the transmission line. The occupation has been covered by a series of licences, normally each for a period of 10 years, the latest being signed into affect on February 6<sup>th</sup>, 2001 to cover the period from November 1999 to November 2009. The licence allows Hydro One to occupy the previously established right-of-way and to maintain and operate the existing line.

The right-of-way width is forty-six meters, twenty-three meters each side of the center line. There are 88 tower spans commencing near structure #232 (east park boundary at Bremner River) to structure #320 (near the park boundary at Willow Creek) a distance of 34.6 km. The area occupied by the right-of-way consists of 158 hectares, the Park occupies 183,909 hectares.

The line was constructed in late 1960's, by a network of access trails along the corridor. To reach the access trail along the right-of-way, Hydro One historically used access roads off Highway #17. The Umbata Falls road starts 14.8 km east of Hwy 627 and winds its way for 23.5 km before entering onto the right-of-way some 6-km west of the Pukaskwa National Park boundary. On right-of-way access then leads inside the Park. The South Regan road exits off Hwy 17 and winds for 54.5 km to the park boundary then another 11 km to the right-of-way, emerging at Louie Lake. Considerable work would be required before major construction activities could be completed using



existing on and off road access. It is no longer even possible to travel along the series of right-of-way trails using ATV's.

### **3.0 DESCRIPTION OF REQUIRED MAINTENANCE ACTIVITES**

There is an essential need to continue to maintain and operate the 230 kV transmission line situated in Pukaskwa National Park. To ensure continued safe and reliable operation, periodic maintenance and in some instances major upgrading is undertaken on the facilities.

The operations and maintenance activities, which will likely take place during the 10-year period of 2001-2010, include Transmission Line Maintenance, Access Road Repairs/Upgrading and Forestry Work.

Prior to Hydro One-work programs being initiated Pukaskwa Park staff will be contacted and permits/permissions acquired.

#### **3.1 Transmission Line Maintenance**

The transmission line is inspected regularly by line staff to identify conditions which could cause outages such as sagging lines, damaged conductors, bad insulators, and deteriorating concrete at tower footings. Inspections are completed by helicopter or on the right-of-way by staff supported by a helicopter.

If defects are found repairs are scheduled based on degree of urgency and the type of repair dictates what equipment will be required. Major repairs and upgrades are normally planned well in advance as they entail large-scale operations, acquisition of materials and manpower. The large-scale line operations will be planned in conjunction with staff from Pukawaska Park to ensure all activities are completed in an acceptable manner taking into account any environmental concerns.

##### **3.1.1 Helicopter Line Patrols**

Helicopter Patrols are used to identify defects. Visual observations are made from the helicopter to detect cracked or bent structural components, loose bolts, broken insulators or other defective parts. The patrols may also make use of thermovision technology consisting of a camera mounted on the side of a helicopter, which uses infrared photography. This method can locate defective connections (hot spots) on transmission lines, which could cause line burn down or component failure if not corrected. Normally at least one helicopter patrol is scheduled and completed each year.

### 3.1.2. Line Patrols

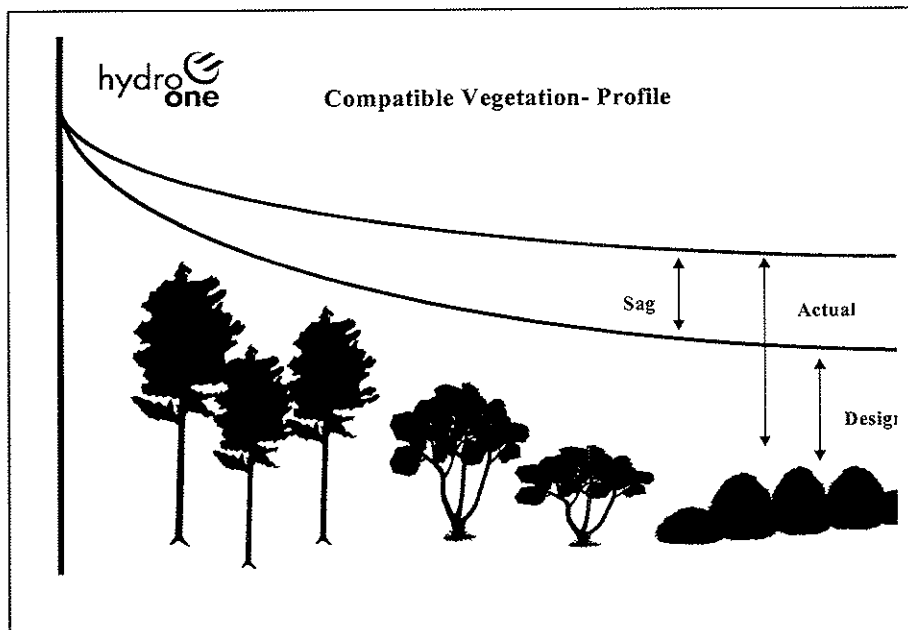
Patrols are conducted from the ground to inspect the physical condition of tower footings, guy wires and related apparatus associated with the transmission towers. Patrols may be accomplished using ATV's or on foot depending on access conditions. Helicopter support is used to bring crews to the work site and as required to leapfrog personnel. Line patrols are scheduled on an as need basis.

### 3.2 Transmission Right-of-Way (R/W) Maintenance

Transmission right-of-way maintenance programs focus on control of vegetation growing on the established right-of-way and trees growing along the edge. Due to the capacity of electricity to "flash" from conductors to grounded objects, minimum clearances for various voltages must be maintained. Safe clearances established for vegetation relate to the insulating space required around conductors and their distance to the ground. These clearances have been calculated to reflect the fact that conductors swing in the wind and may expand due to heat and electrical flows and sag closer to the ground. Clearances are established on each span of the corridor as determined by maximum loading versus actual conductor heights at the time any maintenance activities take place.

#### 3.2.1 Brush Control

Incompatible vegetation must be controlled to prevent growing within the established safe clearances to conductors. Incompatible vegetation is defined on the 230 kv system as any species that at mature heights will reach a height that will be closer than 4.5 meters to the overhead conductors at maximum sag. Maximum sag is pre-determined for every span and takes into account emergency loading. On a 230 kv double circuit line normally loads are shared between each circuit. In the event of a fault to one of the circuits, the other circuit will carry the entire load. Increased loading causes the conductors to heat and expand which is defined as sag. Hydro One staff completing brush control have an up to date condition survey and therefore make allowances for each span and locations within each span when determining what vegetation must be removed and that which can be retained. On some spans such as over steep valleys most species can be retained, on other spans where the mid point between structures is the lowest clearance then only low growing shrubs are retained.



Brush control activities also encompass the concept of wire zone and border zone. The wire zone is that area of the right-of-way that is located immediately under the conductors, the border zone is the area from the outside of the conductors to the adjacent right-of-way edge. Somewhat taller species can be retained in the border zone.

Brush control is also undertaken at the base and perimeter of each tower to provide adequate working space for personnel to carry out emergency or planned maintenance work, including inspection of tower foundations. Access trails on and off the right-of-way may require clearing of brush. In both these situations all shrubs and trees are removed.

Through a selective brush control program, Hydro One eliminates vegetation, which has the potential to interfere with the safe operation of the transmission line. Grasses, ferns, low growing shrubs and in some instances trees, which due to growth characteristics and/or location do not constitute a hazard to reliability or safety are retained.

Brush control activities are normally carried out on a six-year cycle, in some cases the cycles are extended depending on brush conditions encountered. Brush control activities scheduled for the Park will include manual cutting and the use of herbicides. The herbicide of choice for Hydro One operations is Garlon4 (Triclopyr). This Federally Registered product can be applied to the lower portions of the individual stems or cut surfaces of undesirable vegetation. Brush controlled in this manner will not re-sprout, which allows compatible low growing vegetation to become the predominate vegetation on the right-of-way. This ground cover provides excellent habitat, good erosion control and an effective means to biologically limit the ability of non-compatibles to grow back on the Right-of-way. This reduces the amount of brush that requires treatment, lengthens treatment cycles and minimizes the time crews have to work inside the Park

P375745

Control of incompatible vegetation was last accomplished on part of the right-of-way in the year 2,000. Prior to that sections were completed in 1998 and 1999.

### 3.2.2 Line Clearing

The Program is undertaken to treat trees, which infringe on clearance specifications. Two types of clearances are specified, standing and falling. These clearances represent the minimum distance tolerated between a tree and an energized line. Standing clearances relate to the trees directly beneath the line on the right-of-way. Falling clearance refers to trees growing along the edge of the right-of-way which if they break off or are blown towards the line could either cause an electrical arc or physically knock the conductors to the ground. Trees growing along the edge of the 230 kV right-of-way will be inspected for soundness by qualified forestry staff. Trees, which are found to be in good health, even if tall enough to strike the line if blown over are not treated. Trees that have died, show signs of disease and decay or appear to be shallow rooted and thus determined to be a hazard will be normally be removed. Topping of adjacent trees is possible but involves climbing which in an isolated location such as Pukaskwa poses difficulties.

Table 1: Standing and Falling Clearance Requirements for a 230kV Transmission Line

Line Voltage	Standing Clearance	Falling Clearance (Adjacent to R/W)	
		Sound Tree	Danger Tree
230kV	4.5 m (15 ft)	Not Required	2.0 m

Line Clearing is undertaken in Pukaskwa National Park normally every six years during the winter months. Forestry staff on snowmobiles patrol the entire length of the right-of-way for approximately a two-week period. Helicopter support is available throughout.

### 3.3 Access Road Upgrading/Maintenance

The access road system to and along the right-of-way that was established during line construction has continued to deteriorate to a point where access for large vehicles is very limited. There is no significant upgrading planned for the existing access trails and water crossings. Helicopter access will continue to be the primary means of moving forestry and lines staff along with equipment and materials to work locations.

### **3.4 Emergency Work Activities**

There are a number of situations, which classify as emergency activities where immediate action would be necessary. Such situations consist of skywire breaks, conductor breaks, insulator string breaking, hardware failure, conductor falling to the ground, tower arm failure or one or more towers falling down. Lines staff will make every effort to contact Pukaskwa Park staff and advise of emergency conditions and actions required to restore power. In all cases Hydro One makes every effort to restore disturbed sites to as close to original conditions as possible and will work with Parks Canada staff to mitigate any negative impacts of emergency restoration activities.

## **4.0 IDENTIFICATION OF POTENTIAL ENVIRONMENTAL IMPACTS OF HYDRO ONE MAINTENACE ACTIVITIES AND MITIGATING ACTIONS**

In the identification and discussion of environmental impacts it needs to be established that impacts under investigation are those which relate to the maintenance of the transmission line hardware and associated right-of-way. It is not intended to assess those impacts associated with the presence of an existing right-of-way in the park.

The potential impacts are identified and discussed relevant to the primary operations and maintenance, which will most likely be occurring over the period covered by the existing licence of occupation. In order to understand each maintenance component and possible environmental impacts an attempt has been made to assess each major component. In addition some general environmental concerns are addressed that may apply to any scheduled activity.

Mitigation measures are proposed to avoid, rectify or reduce the identified adverse impacts of the proposed undertaking. It should be recognized that the defined work activities, as a whole represent a mitigation strategy to minimize impacts. Additional actions required are therefore not extensive. Hydro One will endeavor to provide the Park Warden Service with 24 hours notice prior to commencement of field operations. Should major maintenance activities be necessary above routine maintenance described, more input from Park staff will be requested in order to ensure that any concerns are addressed.

### **4.1 GENERAL IMPACTS**

#### **4.1.1 Invasive Species**

Invasive species continue to be extremely damaging to the environment. Invasive species have the ability to rapidly expand in numbers and displace native species. Parks Canada remains very concerned with the introduction of non-native plants and animals into the Pukaskwa environment. In order to ensure that no foreign species are

accidentally introduced during Hydro One-maintenance activities all equipment used will be power washed to remove all mud and plant materials on each entry to the park.

#### **4.1.2 Access Road Upgrading**

There are at present no plans for upgrading of the access roads to the Park from Highway #17 or the series of trails along the corridor. Should future work programs require access road upgrading to accommodate large equipment consultation between Park staff and Hydro One will take place. Hydro One uses proper construction techniques to minimize sedimentation of water bodies, compaction or other possible adverse environmental impacts. In addition Hydro One will work with Park staff to ensure that road upgrading doesn't cause problems with unauthorized access activities to areas now off limits.

#### **4.1.3 Waste Disposal**

All rubbish and wastes created will be collected and removed including chemical and petroleum containers and domestic garbage.

#### **4.1.4. Refueling, Equipment Maintenance and Hazardous Material Handling**

At present most maintenance activities are completed on foot or snow machines. Limited ATV usage is also a possibility. Any equipment used will be specified to be mechanically sound to avoid leaks of oil and gas. Many of these products including gasoline, diesel, lube oil and aviation fuel can contaminate ground and surface water at relatively low volumes.

No fueling or servicing of equipment will be permitted within 30 meters of a watercourse. This is a minimum distance and will be increased if equipment is being serviced on a slope. Fuels, oils, gasoline and other hazardous materials will be stored as far away as possible, preferably in an area, which does not drain toward a stream, lake or wetland.

Spill containment and clean up materials will be available on site. As a minimum, this material should include enough spill absorbent material to contain the maximum spill potential on the worksite.

#### **4.1.5. Impacts to Soils:**

Some minor compaction and rutting may occur from movement of vehicles along the right-of-way. It is anticipated that any disturbed areas will quickly return to natural state through natural succession and re-vegetation. Selective application of herbicides retains good ground cover and sufficient plant cover will remain to stabilize slopes and other vulnerable sites. No serious erosion sites are known to exist on the right-of-way that require special protection. Should erosion sites become a concern, Hydro One will work

with Parks Canada to ameliorate any sites or to design special treatments to avoid future problems.

#### **4.1.6. Interactions With Wildlife**

Hydro One maintenance activities will be conducted in a fashion that will minimize impacts on wildlife. Wildlife will not be harassed, disturbed or otherwise impacted. Staff working in the park will not feed wildlife

#### **4.1.7. Special Treatment Areas/Species at Risk**

At present no species at risk are known to occur on the right-of-way. Should this change Hydro One will incorporate special treatment into maintenance activities.

Hydro One has committed to special treatment of specific spans within the park. The locations and treatments are identified in Appendix 1.

### **4.2 TRANSMISSION LINE MAINTENANCE- POTENTIAL IMPACTS**

#### **4.2.1 Helicopter Patrols**

The main possible impact is sensory disturbances to wildlife arising from noise generated by helicopter use. Normally helicopter use at any given site is limited to a short duration stop at each structure. The patrols are normally scheduled for late spring (May/June) and early fall (September) generally times critical for wildlife.

The helicopter patrols are of short duration and infrequent. The environmental impact is expected to be negligible.

The helicopter pilot prior to entering the park air space will contact Pukaskwa National Park.

#### **4.2.2 Line Patrols**

Foot patrols are carried out during the summer at which time any disturbance to wildlife would not be at a critical stage of their life cycle. Impacts to soils are minimal given that the work is carried out on foot or ATV. Helicopter support is available to transport men and equipment across watercourses where ground access is not suitable.

The environmental impact of this activity is considered negligible, given the short duration (two weeks), infrequent occurrences (every other year) and passive nature of the work involved.

Pukaskwa National Park will be contacted by the crews prior to entering the Park and advised of when work will be initiated. This will include notification when any helicopter will be in Park air space. On occasions ATV's may be used by crews, these

vehicles are restricted to access trails and will not result in significant damage. Nature of work activities has low potential for impact and no further mitigation is necessary.

#### **4.2.3. Line Facility Repair**

Potential impacts are sensory disturbance to wildlife arising from noise generated by helicopter use, concrete mixer, compressor, pneumatic hammer and human activity. Potential impacts to soil in the form of soil displacement, and soil compaction. Impacts include removal of localized vegetation on the right-of-way for helicopter and equipment placement.

Line repair impacts are localized (specific tower sites), short in duration (two weeks total), infrequent and of low magnitude.

### **4.3 TRANSMISSION RIGHT-OF-WAY MAINTENANCE –POTENTIAL IMPACTS**

#### **4.3.1 Forestry Line Clearing**

Potential impacts are sensory disturbance to wildlife on account of operating helicopters, snowmobiles, chainsaw work and human activity. In addition it is likely trees that pose a hazard to the line will be found and will require removal

The noise associated with the work will be localized, temporary (two weeks), transient and infrequent. The disturbance to wildlife will be minimal.

The number of trees that are required to be removed is normally small. Trees that are removed are in advance states of decay or are structurally weak. Sound healthy trees are retained. Trees, which are felled, are dropped parallel to or away from the line. Limbs are removed from the trunk and cut into smaller sections so they lie flat. This will minimize the amount of slash and will enhance the natural decay process.

#### **4.3.2. Brush Control**

The treatment of brush on the right-of-way will require the most amount of time Hydro One will work in the Park and will have the most potential to impact on the right-of-way. Work programs are designed to reduce the amount of brush that has to be treated on each successive cycle and this in turn reduces potential impacts. All brush control activities are planned in conjunction with Park staff well in advance to ensure that any changes to special buffers or new findings involving the right-of-way lands are incorporated into the planned operations.

There will be localized and transitory disturbance to wildlife any time Hydro One staff are working on the right-of-way. Cutting of brush or other use of power tools will create some noise disturbance. These activities are not carried out every year, are restricted to a very small area of the right-of-way and the park and are anticipated to diminish through

P375745



time as herbicide application reduces brush densities and the right-of-way is comprised mostly of compatible vegetation that will not require treatment.

## **Potential Impacts from Brush Control Activities**

### **Aesthetics**

Brush control operations will result in dead standing brush and cut brush. The visual impacts are primarily the year the right-of-way is treated and is significantly reduced the following year(s) as leaves and needles fall off. Heavy snowfall results in any dead standing brush being knocked to the ground.

The area crossed by the Hydro One right-of-way is in a very secluded portion of the park and rarely will be visited. The minimum buffers to water of 30 meters for herbicide use, and use of condition survey data to maintain maximum vegetation in valleys will minimize aesthetic impacts along rivers and lakes that may be used by the public. Brush that is cut is further cut into smaller lengths and in a fashion that will allow contact with the ground to facilitate natural decay processes. This reduces the visual impact of the brush control operation and reduces the amount of slash.

No burning of brush is allowed inside the park boundary.

### **Ecosystem Changes**

The right-of-way environment may change slightly with the removal of brush. Potential impacts include an on-going alteration in the microclimate conditions as the vegetation cover is initially reduced and subsequently re-grows. The right-of-way due to successive brush control operations including the selective application of herbicides has become an open area vegetated by low growing species of compatible shrubs and the removal of non compatible brush will have a minimal impact.

When brush is being cut there is the potential to disturb nesting birds. Selective vegetation management and use of herbicides will allow for retention of many compatible shrubs that will provide good nesting cover and will not be disturbed by Hydro One activities. This disturbance will be localized and of a transient nature to allow birds to return to nest quickly. It is anticipated this disturbance will be minimal. Should park staff become aware of the presence of rare or unique avian communities Hydro One will work with Park staff to time brush control activities to minimize disturbance.

### **Water Quality**

Impacts to water will be minimized by retention of stream buffer zones. The brush control operations now used are completed on foot and helicopters to ferry staff, equipment and materials to work locations. Vehicles will not be crossing watercourses.

Should vehicles be used for future operations in all likelihood they would be ATV's, that by nature will have minimal impact on water crossings.

In many cases alder (*Alnus incana* ssp. *Rugosa*) a common riparian plant will be compatible along watercourses. There are also numerous other low growing shrubs that prefer stream and lake edges that will provide good erosion control and shade. The 30-m buffer for the use of low volume herbicide will ensure no entry into watercourse of any herbicide product.

The Hydro One operation as designed will not result in adverse environmental impacts to water.

### **Herbicides**

Herbicide applications are restricted to cut stumps of deciduous species and to small conifers and deciduous brush. The herbicides of choice Garlon4 (triclopyr) and e z ject capsules (glyphosate) are registered Federally for control of vegetation on hydro rights-of-way. These products are applied selectively by trained and licenced staff. Since the e z ject capsules are applied to the stems the herbicide is completely contained in the plant system and not applied to soils. The Garlon4 half-life in soils is relatively short and bio-accumulation will not occur.

## **5.0 CONCLUSIONS AND RECOMMENDATIONS**

Based on the review of files, field surveys, works program design, environmental assessment of previous work in Pukaskwa National Park and specified mitigation measures it is concluded that the proposed work activities will not result in significant adverse environmental effects.

It is recommended that this Environmental Evaluation meets Park Canada requirements for an environmental assessment as set out under the Canadian Environmental Assessment Act. (CEAA ). The work programs should proceed as described in conjunction with the implementation of mitigation, surveillance and monitoring measures as set out in this environmental evaluation.

Hydro One has agreed that future Environmental Evaluations will include preparation of a Parks Canada Integrated Pest Management Plan submission form to cover off the use of herbicides within the park boundaries.

*APPENDIX 1*

Special Treatment Locations – Pukaskwa National Park

P375745

The following locations have been identified in the CEAA as requiring special protection and environmental management.

Span	Existing Condition	Management Plan
#279-#278	High use wolf area, possible den site and area where wolves are routinely observed or sign of presence noted.	Avoid working in this area, do not store materials in this location and ensure time spent doing any maintenance kept to a minimum.
#294-#295	There is an area near structure # 294, which has been maintained using selective brush control. The remainder of the valley has been retained in forested cover.	Retain the trees and remove tallest if they pose a hazard before the next planned maintenance. Routine brush control for remainder of the span.
#295-#296	Most of the right-of-way maintained using selective brush control. There is a forested area on part of the span.	Retain the trees and remove tallest if they pose a hazard before next planned maintenance. Routine brush control for remainder of the span.
#296-#297	Most of the right-of way maintained using selective brush control. There are two small conifer sites in the valleys.	Retain the trees and remove tallest if they pose a hazard before the next planned maintenance. Routine brush control for remainder of the span.
#303-#304	Part of the right-of-way has been maintained using selective brush control. There is an area of coniferous trees on the upslope to structure # 303.	Retain trees in established buffer, remove only those that would pose a hazard to the overhead lines over the next planed maintenance cycle. Routine brush control activities for remainder of the span.
#304-#305	There is a small treed buffer around a wetland.	Retain buffer, remove only those trees that would pose a hazard to the overhead lines over the next planed maintenance cycle. Routine brush control activities for remainder of the span.
#305-#306	Most of the span has been cleared and maintained using routine selective brush control. There is a stream with a treed buffer.	Retain trees in established buffer, remove only those that would pose a hazard to the overhead lines over the next planed maintenance cycle. Normal brush control activities for remainder of the span.
#309-#310	Area near structure #310 has been brush controlled, remainder of valley trees have been retained.	Retain trees in the valley, remove only those that would pose a hazard to the overhead lines before the next planned maintenance cycle. Normal brush control activities for remainder of the span.
#310-#311	Steep valley slope from structure #311, area from structure to crest of slope has been brush controlled. Remainder of the valley trees remain.	Retain trees in the valley, remove only those that would pose a hazard to the overhead lines before the next planned maintenance cycle. Normal brush control activities for remainder of the span.
#312-#313	Steep valley, most of the trees will never be tall enough to be of concern. Brush is controlled at top of slope near structure #312	Retain trees in the deep valley, remove only those that would pose a hazard to the overhead lines before the next planned maintenance cycle. Normal brush control activities for area near Structure # 312

P375745

#313-#314	Buffer of trees on slopes and in valley along lake Remainder of the span is normal right-of-way maintained as compatible vegetation through selective vegetation control	Retain the buffer adjacent to small lake, remove any trees that will encroach on safe limits to overhead conductors before next planned maintenance cycle. Normal brush control on remainder of the span.
#315-#316	Buffer of trees on slopes either side of small lake crossing, remainder of the span maintained using selective vegetation management.	Retain the buffer adjacent to small lake, remove any trees that will encroach on safe limits to overhead conductors before next planned maintenance cycle. Normal brush control on remainder of the span.
#317-#318	Shoreline of lake, except for slope near Tower #317 most vegetation in the valley has been retained	Remove any trees that will encroach on safe limits to overhead conductors before next planned maintenance cycle. Normal brush control on slope near structure # 317.
#319-#320	Willow River floodplain, mature vegetation has been retained in valley and on slopes for most of the span	Remove any trees that will encroach on safe limits to overhead conductors, retaining remaining vegetation.

P375745

*APPENDIX 2*

*Maps*

P375745

P375745  
(TNAM)

**RIGHT OF WAY AGREEMENT**  
**BETWEEN**  
**HER MAJESTY THE QUEEN in right of Canada**  
**and**  
**HYDRO ONE NETWORKS INC.**

P375745

THIS AGREEMENT made this 6<sup>th</sup> day of February 2001

BETWEEN:

HER MAJESTY THE QUEEN, in right of Canada, represented herein by the Minister of Canadian Heritage for the purposes of the Parks Canada Agency, ("Her Majesty"),

OF THE FIRST PART,

AND:

Hydro One Networks Inc., a body corporate, incorporated under the laws of the Province of Ontario and having its head office in the City of Toronto, in the said Province, ("Company")

OF THE SECOND PART.

WITNESS that in consideration of the fees, covenants and agreements herein reserved and contained on the part of the Company to be paid, observed, performed and kept, Her Majesty hereby grants the right to the Company to enter upon, use and occupy, including the use of all such mechanical and other equipment and material as is necessary for the purpose hereinafter mentioned and subject to the terms and conditions hereinafter contained, all that certain parcel or tract of land extending seventy-five (75) feet on either side of the centre line of the line hatched in black on the site plan attached hereto and forming part hereof, which shall be the location of the transmission line as installed, situate, lying and being in the proposed Pukaskwa National Park, in the Province of Ontario, (hereinafter called "the Land"); for a period of ten (10) years commencing on the eighth day of November 1999 and ending on the 7th day of November, 2009, (hereinafter called "the period").

The Company shall pay unto Her Majesty at the office of the Superintendent, for and during each year of the period, an annual fee as follows:

- i) for and during each year in the first five (5) year period of the term commencing on the eighth (8th) day of November, 1999 and ending on the seventh (7<sup>th</sup>) of November, 2004 an annual fee in the amount of One Hundred Dollars (\$100.00); and
- ii) for and during each year of the second five (5) year period of the term commencing on the eighth (8<sup>th</sup>) day of November, 2004, and ending on the seventh (7<sup>th</sup>) day of November 2009 an annual fee in an amount to be determined by the Minister, in accordance with its then current policy and practice.

The said annual fee to be paid on the eighth (8<sup>th</sup>) day of November in each year during the term, the first payment to be made on the day of execution of this agreement by the Company, the receipt whereof is hereby acknowledged.

ARTICLE 1.00 DEFINITIONS

1.01 In this Agreement:

- (a) "Head, Real Property Management" means the Head Real Property Management, Ontario Service Centre, Eastern Canada, Parks Canada Agency, or any person authorized to act in that behalf; and
- (b) "Minister" means the Minister of Canadian Heritage or such Minister designated by the Governor General in Council for the purposes of the Federal Real Property Act, or any person authorized to act in that behalf; and
- (c) "Park" means the proposed Pukaskwa National Park, in the Province of Ontario, and
- (d) "Parks Canada Agency" means Parks Canada Agency, a body corporate established under Section 3 of the *Parks Canada Agency Act*, S.C., 1998, c.31, as may be

INITIAL HERE 



- amended, revised, consolidated or substituted from time to time; and
- (e) "Superintendent" means the Superintendent of the Park or any person authorized to act in that behalf.

**THE PARTIES COVENANT AND AGREE AS FOLLOWS:**

**ARTICLE 2.00 USE OF LAND**

- 2.01 (a) The Company acknowledges, agrees and it is a condition upon which this Agreement is entered into, that the land shall be used only for the purpose of operating, maintaining, inspecting, altering, renewing, replacing or repairing an electrical transmission line and equipment necessarily incidental thereto, together with the right of ingress and egress to and from the land for the employees, agents, vehicles, supplies and equipment of the Company for the purpose of inspecting, repairing and maintaining the transmission line and related equipment.
- (b) The Company shall comply with the provisions of all applicable statutes and regulations, as they may be amended, revised, consolidated or substituted from time to time, including without limitation, all laws concerned with environmental assessment and protection.
- 2.02 The Company shall not create or permit or suffer any act or thing on the land which is a nuisance.
- 2.03 The Company shall not cause, permit or allow the commission of any waste on or in the land.
- 2.04 The Company shall, at its own expense, collect and dispose of all garbage resulting from the use and occupation of the land, in a manner satisfactory to the Superintendent.
- 2.05 (a) The Company shall not cut down or permit the cutting down, interfere with or permit the interference with any timber, trees or other vegetation on the right-of-way, or impair or permit the impairment of the natural beauty of the land, except to the extent necessary for the reasonable exercise of the Company's rights hereunder, it being expressly understood that the Company shall not use any chemical defoliant on the right-of-way. The use of any herbicides is subject to the prior review and approval of the Superintendent.
- (b) Where the Superintendent agrees that any tree adjacent to the right-of-way endangers the electrical power transmission line, the Company shall at its expense remove such tree.
- 2.06 The Company shall observe fire and safety precautions and shall comply fully with the instructions of the Superintendent in relation thereto.

**ARTICLE 3.00 ACCEPTANCE, RESERVATIONS AND EXCEPTIONS**

- 3.01 The Company declares that:
  - (a) it has inspected the land and any structures, fixtures, buildings and other improvements thereon, or has caused them to be inspected on its behalf;
  - (b) it has entered into this Agreement on reliance on that inspection and not on reliance on any representation, whether oral, written or implied, by whomsoever made;
  - (c) it will accept the land and any structures, fixtures, buildings and other improvements thereon in the condition existing on the date of this Agreement, and
  - (d) it has satisfied itself of everything and of every condition affecting the land.


  
 INITIAL HERE

- 3.02 (a) In addition to any other legal, equitable or contractual right Her Majesty may have, Her Majesty reserves unto Herself, Her officers, servants, agents, workers and contractors, the right to enter the land at all reasonable times with vehicles, equipment and materials as may be required for the purpose of laying, installing, and at all times for repairing or maintaining all utilities including water, gas, telephone and sewers over, across, under or through the land, without payment of compensation to the Company;
- (b) Her Majesty will restore the land disturbed by the entry referred to in (a) to a state as close as practicable to that which it was in immediately prior to the entry; and
- (c) No interest in the utilities system referred to in (a) which may be laid or installed over, across, under or through the land will pass to the Company under this Agreement.

3.03 For greater certainty and clarity, the right granted herein does not include mines, minerals or any legal or equitable right to work or exploit any resource on or under the land.

3.04 The Company shall permit all visitors to the Park to pass freely at all times over any trail which may cross the land.

- 3.05 (a) Where the land or any part thereof is required by Her Majesty for the purpose of administration of the Park or for any other public purpose, Her Majesty, Her officers, servants and agents may enter and use the whole or any part of the land on the expiration of such notice as the Minister may deem expedient.
- (b) If Her Majesty requires that the transmission line or any portion thereof be relocated or altered, Her Majesty shall pay the cost thereof.

- 3.06 (a) It is understood and agreed that the land may be used by other public utilities, municipal bodies or persons if granted an easement, Agreement or lease by Her Majesty. Her Majesty retains the right to grant easements, Agreements or leases on, over or under the land to any public utility, municipal body or person Her Majesty desires and under any terms and conditions Her Majesty deems desirable. The Company hereby consents to the granting by Her Majesty of any such easement, Agreement or lease. Prior to the construction of any works the subject matter of any easement, Agreement or lease within the land, the recipient of such easement, Agreement or lease will be required to submit plans for the review of the Company and the Superintendent and to obtain the written consent of the Company to enter or construct so as to ensure that no conflict will exist between the parties as regards the installation of the works.
- (b) If, at any time during the term, the right-of-way or any part thereof is required for the carrying out of any public purpose, Her Majesty, Her servants, agents and contractors may carry out that public purpose on the right-of-way or part thereof so required upon the expiration of such notice to the Company as the Minister deems expedient under the circumstances and in so doing will cause as little interference as is reasonably possible to the rights given hereunder to the Company.
- (c) Notwithstanding subsection (b), Her Majesty will not construct any buildings or structures on the right-of-way during the term of this Agreement without the prior consent of the Company.

**ARTICLE 4.00 ACCESS**

4.01 The Company shall be permitted to gain access to the right-of-way by the Umbata Road and Reagan Road, so called, until a new access is available at which time it shall use the new access. The Company shall notify the Superintendent, in advance, of its intention to enter upon the right-of-way for maintenance and operational purposes, as set out in the 1991 Environmental Assessment Report.

  
**INITIAL HERE**  


4.02 In emergencies, including structural failure or outage on the transmission line, the Company shall have the right to use the quickest and most efficient means of access to the point of failure, it being expressly understood, however, that the Company will not without the prior approval of the Superintendent, use any means that involves the cutting or knocking down of timber or trees or other damage to the Park outside the right-of-way.

4.03 The Company may, with the prior approval of the Superintendent, improve existing access roads within the Park and leading to the right-of-way, at the expense of the Company.

4.04 (a) To the extent that the use of aircraft by the Company in carrying out the purposes of this Agreement is reasonable and proper, the Company may employ helicopters which shall land on and take off from the right-of-way save that, in an emergency, the Superintendent may permit landing in the Park outside the right-of-way.

(b) Notwithstanding subsection (a) the Company, with the prior permission of the Superintendent, may use water based planes from time to time as required on official business and such planes may land on and take off from waters within the Park.

**ARTICLE 5.00 TAXES AND OTHER CHARGES**

5.01 The Company covenants and agrees to pay the annual fee and all taxes, rates, duties, assessments or other impositions whatsoever charged upon the land in relation to the Company's use of the Land or upon the Company or occupier in respect thereof, or payable by either in respect thereof.

**ARTICLE 6.00 ENVIRONMENTAL PROTECTION**

6.01 The Company covenants and agrees that all of its activities on the Land shall be conducted in compliance with all applicable statutes, regulations, by-laws, rules, declarations, directives and orders concerned with environmental assessment and protection as they may be amended, revised, consolidated or substituted from time to time.

6.02 The Company covenants and agrees that:

(a) environmental assessments relating to its physical works and activities on the Land shall be conducted in accordance with the *Canadian Environmental Assessment Act*, Statutes of Canada, 1992, Chapter 37, or any successor or similar legislation and regulations made thereunder, and all applicable federal policies and procedures as they may be amended, revised, consolidated or substituted from time to time; and

(b) any specifications, mitigative measures and environmental protection measures as set forth in the environmental assessment referred to in sub-article (a) shall become conditions which form part of this Agreement.

6.03 The Company covenants and agrees to ensure that no contaminants, pollutants, or toxic, dangerous or hazardous substances or materials as defined under any applicable statutes, regulations, by-laws, ordinances, requirements or orders imposed by any competent authority, shall be used, emitted, discharged, stored or disposed of except in strict compliance with such statutes, regulations, by-laws, ordinances, requirements or orders.

6.04 The Company covenants and agrees to provide the Minister with written notice of any anticipated or actual adverse environmental impacts attributable to the use of the Land immediately upon discovery by the Company, and if the Minister considers remedial action to be necessary, the Company hereby agrees to undertake remedial action immediately using the appropriate technology, design or repair to the satisfaction of the Minister and pay the costs of such remedial action. Furthermore, the Company agrees that all such remedial

INITIAL HERE  

action shall be undertaken in accordance with all applicable laws, regulations, orders and approvals and in a manner so as to minimize any impact on the Land and elsewhere.

6.05 The Company covenants and agrees that should the Company fail to take any mitigative measures required by the Minister as set forth in sub-article .02(b), fail to comply with the covenants set forth in sub-article .03, or the remedial action required in sub-article .04, the Minister may, on written notice to the Company, complete the required mitigative measures or remedial action and charge the costs thereof to the Company and such costs will constitute a debt due and owing to Her Majesty and shall be payable upon demand.

**ARTICLE 7.00 DUTY TO MAINTAIN AND RIGHT OF INSPECTION**

7.01 The Company covenants and agrees that:

- (a) it shall be solely responsible for any and all costs incurred in keeping the right-of-way cleared to the extent necessary for the reasonable exercise of the Company's rights hereunder. Such schedule and means of clearing shall firstly be approved by the Superintendent.
- (b) it shall maintain the land, all structures, fixtures, buildings and other improvements thereon in a good state of maintenance and repair, and free from hazardous or toxic materials, substances, pollutants, contaminants or wastes and further, if the Company fails to make such repairs or remedy such condition after receiving thirty (30) days' notice in writing from the Superintendent, the Superintendent may enter the land, all structures, fixtures, buildings and other improvements thereon, make the said repairs, or remedy such condition, and charge the costs thereof to the Company and such costs will constitute a debt due and owing to Her Majesty and shall be payable upon demand; and
- (c) the Superintendent or his agents will be entitled to enter and inspect the land, all structures, fixtures, buildings and other improvements thereon at all reasonable times during the period, for the purpose of inspecting and ascertaining the condition or state of repair thereof, or verifying that the covenants and other provisions of this Agreement are being complied with.

**ARTICLE 8.00 SUBMISSION OF PLANS AND SPECIFICATIONS**

- 8.01 (a) Prior to the commencement of any construction on the Land, the Company shall submit in quadruplicate, for the approval of the Superintendent, plans and specifications of such construction, in a form satisfactory to the Superintendent. Upon completion of the construction, the Company shall submit as built drawings of the construction to the Superintendent.
- (b) If the Company proposes to make any additions or alterations to the Land or to the appurtenances thereon or to construct any new improvements on the Land, then the Company shall submit its proposal together with plans and specifications of such alterations, additions or construction to the Superintendent for his approval in accordance with the current private development approval process applicable in the Park, and if the proposal and the plans and specifications therefor are approved by the Superintendent, such alterations, additions or construction will be completed within such reasonable time as the Superintendent may allow, and the Company shall maintain such alterations, additions or construction in a good state of maintenance and repair.

**ARTICLE 9.00 REMOVAL OF IMPROVEMENTS**

9.01 Unless otherwise requested by the Superintendent, the Company shall, upon expiration or prior termination of this Agreement and within the time specified by the Superintendent,

  
  
**INITIAL HERE**

sever and remove from the Land its transmission line and equipment incidental thereto, and all structures, fixtures and other improvements which have been affixed or placed on the Land at the expense of the Company. If the Company is in breach of this Article, the Superintendent may remove the transmission line and equipment incidental thereto, and the structures, fixtures, buildings and other improvements from the land and charge the costs thereof to the Company, and such costs shall constitute a debt due and owing to Her Majesty and shall be payable upon demand.

**ARTICLE 10.00 ALIENATION**

- 10.01** The Company shall not transfer or assign this Agreement or any of the rights hereunder except with the prior consent in writing of the Minister. Any action by the Company under this Article except with such prior consent is void.
- 10.02** A transfer of the shares of the Company to others who are not shareholders thereof which would have the result of giving those others effective control of the Company, or any other change in the corporate structure of the Company which would have the same result, shall require the written consent of the Minister.
- 10.03** The Company or a legal representative of the Company shall provide to the Superintendent, within thirty (30) days from the date of issuance, an original, duplicate original or certified true copy of any of the following listed documents relating to the Company or to the Land:
  - (a) evidence of change of name;
  - (b) evidence of amalgamation or dissolution in the case of a corporate body; and
  - (c) any court orders affecting the Land.

**ARTICLE 11.00 LIABILITY AND INDEMNITY**

- 11.01** The Company shall not have any claim or demand against Her Majesty or any of Her servants, agents, contractors and all of those for whom Her Majesty may at law be responsible, for detriment, damage, accident or injury of any nature whatsoever or howsoever caused to the Land or to any person or property thereon except in the case of the negligence of Her Majesty, Her servants and agents.
- 11.02** The Company shall at all times indemnify and save harmless Her Majesty or any of Her servants, agents, contractors and all those for whom Her Majesty may at law be responsible, from and against all claims, demands, losses, costs, damages, actions, suits or proceedings by whomsoever made, brought or prosecuted in any manner based upon, arising out of, related to, occasioned by or attributable to the execution of this Agreement or any action taken or things done or maintained by virtue hereof, or the exercise in any manner of rights arising hereunder, not including acts or omissions on the part of any officer, servant, agent or employee of Her Majesty as would in law constitute negligence or willful misconduct.

**ARTICLE 12.00 INSURANCE**

- 12.01** The Company covenants and agrees that:
  - (a) Forthwith upon execution hereof, and at all times during the period, the Company shall maintain at its own expense, comprehensive general public liability insurance against claims for personal injury or death and property damage or loss arising out of all operations of the Company as would a prudent owner of similar premises, such insurance shall protect Her Majesty and the Company in such minimum amount as the Superintendent may require from time to time, and Her Majesty shall be an additional named insured in the insurance policy, which shall contain a cross-

*RS* *RS*  
INITIAL HERE

liability clause protecting Her Majesty against claims by the Company as if Her Majesty were separately insured and protecting the Company against claims by Her Majesty as if the Company were separately insured.

- (b) At all times during the period, the Company shall maintain at its own expense all risk tenants' legal liability insurance, as would a prudent owner of similar premises. Such insurance shall protect Her Majesty and the Company in such minimum amount as the Superintendent may require from time to time, and Her Majesty shall be an additional named insured in the insurance policy, which shall contain a cross-liability clause protecting Her Majesty against claims by the Company as if Her Majesty were separately insured and protecting the Company against claims by Her Majesty as if the Company were separately insured.
- (c) The Company shall maintain during the period all risk insurance in its chattels, fixtures and leasehold improvements in the Land as would a prudent owner of similar premises. Such insurance shall protect Her Majesty and the Company in such minimum amount as the Superintendent may require from time to time, and Her Majesty shall be an additional named insured in the insurance policy, which shall contain a cross-liability clause protecting Her Majesty against claims by the Company as if Her Majesty were separately insured and protecting the Company against claims by Her Majesty as if the Company were separately insured.
- (d) The Company shall forthwith after request by Her Majesty provide evidence of the insurance required to be carried by the Company hereunder from time to time; and
- (e) it shall not do or omit to do or allow anything to be done or omitted to be done on the Land which will in any way impair or invalidate such insurance referred to herein.

**ARTICLE 13.00            DEFAULT AND TERMINATION**

**13.01** In the event that:

- (a) any portion of the annual fee hereby reserved is unpaid for more than thirty (30) days after becoming due, whether formally demanded or not; or
- (b) the Company fails to perform, observe or keep any of the other covenants and provisions herein contained,

the Minister may, by notice in writing, require the Company to remedy any such default.

If in such a case, the Company does not remedy such default within the time prescribed, Her Majesty may, by notice in writing, terminate this Agreement and on the day specified in the notice of termination, this Agreement will terminate, whether or not Her Majesty has re-entered the Land.

**13.02** Notwithstanding anything herein contained, if the Company should at any time during the period hereof:

- (a) make an assignment for the benefit of creditors;
- (b) be adjudged a bankrupt or insolvent;
- (c) file any petition or institute any proceedings under any bankruptcy or insolvency legislation seeking to effect reorganization or a composition; or
- (d) be subject to the appointment of a receiver or trustee who is not discharged within sixty (60) days from the date of such appointment,

  
 INITIAL HERE 

it will be lawful for Her Majesty, without notice to the Company, to declare the period ended and this Agreement terminated and thereupon, these presents and everything herein contained and the period will absolutely cease, terminate and be void without re-entry or any other act or any suit or legal proceedings to be brought or taken, provided Her Majesty will nevertheless be entitled to recover from the Company the annual fee then accrued.

**13.03** Termination of this Agreement pursuant to any of the provisions herein shall be wholly without prejudice to the right of Her Majesty to recover arrears of the annual fee or any other right of action by Her Majesty in respect of any antecedent breach of any covenant or other provision herein contained, and the rights shall survive the termination of this Agreement, whether by act of the parties or by operation of law.

**13.04** Within one year of the expiration or prior termination of this Agreement, the Company shall, unless otherwise mutually agreed upon between the parties, remove from the right-of-way the transmission line as well as all buildings, structures or other appurtenances incidental thereto placed or erected or caused to be placed or erected on the right-of-way by the Company, and the transmission line and such buildings, structures or appurtenances are hereby deemed to be the property of the Company.

**ARTICLE 14.00            CONDITION OF THE LAND UPON EXPIRATION OR PRIOR TERMINATION**

**14.01** The Company covenants and agrees that:

- (a) upon the expiration or prior termination of this Agreement, it shall leave the Land, all structures, fixtures, buildings and other improvements thereon free from hazardous or toxic materials, substances, pollutants, contaminants or wastes and in a good state of maintenance and repair, normal wear and tear excepted; and
- (b) if, upon the expiration or prior termination of this Agreement, it fails to comply with the provisions of (a), the Superintendent may require the Company to remedy the condition of the Land, all structures, fixtures, buildings and other improvements thereon within thirty (30) days or such longer period as the Superintendent may at his sole discretion deem warranted, and acting reasonably; and if the Company fails to so remedy the condition thereof within the time prescribed, the Superintendent may enter the Land, all structures, fixtures, buildings and other improvements thereon, remedy the condition thereof and charge the costs thereof to the Company and such costs will constitute a debt due and owing to Her Majesty and shall be payable upon demand.

**ARTICLE 15.00            DISPUTES**

**15.01** In the event that any question or dispute arises between the parties hereto over any of the covenants and other provisions of this Agreement or the interpretation thereof on its effect, which the parties are unable to resolve by agreement, the same shall be referred to the Federal Court of Canada for determination.

**ARTICLE 16.00            NOTICE**

**16.01** Any notice required by or affecting this Agreement may be served upon the parties hereto by sending it by registered mail, telegram or other electronic message which provide a hard copy, postage or charges prepaid addressed to:

- (a) in the case of Her Majesty;

  
**INITIAL HERE**


Superintendent,  
Pukaskwa National Park,  
Heron Bay, Ontario  
P0T 1R0

and

(b) in the case of the Company;  
Hydro One Networks Inc.  
7676 Woodbine, Suite 300  
Markham, Ontario  
L3R 2N2

the Company's last known address, or to the Land itself, or by leaving it at that address, or by personally serving it upon the party referred to therein.

Any notice addressed by registered mail to Her Majesty or to the Company pursuant to this Article will be deemed to have been effectively given on the seventh (7th) business day following the date of mailing. Such addresses may be changed from time to time by either party giving notice as provided herein. In the event of any disruption of postal service, notices will be personally served upon the parties hereto.

**ARTICLE 17.00 MISCELLANEOUS**

- 17.01 A waiver, condonation, forgiveness or forbearance by either party hereto of the strict performance by the other of any covenant or provision of this Agreement shall be in writing and will not of itself constitute a waiver of any subsequent breach of that covenant or provision or any other covenant or provision thereof. The failure of Her Majesty to require the fulfilment of any obligation of the Company or to exercise any rights herein contained will not constitute a waiver or acquiescence or surrender of those obligations or rights.
- 17.02 If for any reason any covenant or provision contained in this Agreement, or the application thereof to any party, is to any extent held or rendered invalid, unenforceable or illegal, then such covenant or provision shall be deemed to be independent of the remainder of this Agreement and to be severable and divisible from this Agreement. The invalidity, unenforceability or illegality shall not affect, impair or invalidate the remainder of this Agreement or any part thereof. The intention of Her Majesty and the Company is that this Agreement would have been executed without reference to any portion which may, for any reason and extent, be declared or held invalid, unenforceable or illegal.
- 17.03 The parties hereto specifically covenant and agree that no partnership, joint venture or any agency relationship is created or intended to be created between Her Majesty and the Company pursuant to this Agreement.
- 17.04 No Member of the House of Commons will be entitled to any share or part of this Agreement or to any benefit to arise therefrom.
- 17.05 The Company hereby confirms that it has not, nor has any person on its behalf, given, promised or offered to any official or employee of Her Majesty for or with the view to obtaining this Agreement, any bribe, gift or other inducement and that it has not, nor has any person on its behalf, employed any person to solicit or secure this Agreement upon any agreement for a commission, percentage, brokerage or contingent fee.
- 17.06 Time is of the essence of this Agreement and all of the provisions hereof.
- 17.07 No implied terms or obligations of any kind on behalf of Her Majesty will arise from anything in this Agreement or any improvements effected by the Company, and the express covenants and agreements herein contained and made by Her Majesty are the only covenants and agreements upon which any rights against Her Majesty are to be founded.

  
INITIAL HERE





- 17.08 No exercise of any specific right or remedy of Her Majesty will prejudice or preclude Her Majesty from exercising any other right or remedy provided by this Agreement or allowed at law or in equity. No right or remedy provided to Her Majesty by this Agreement or at law or in equity shall be exclusive or dependent upon any other such right or remedy, and Her Majesty may, from time to time, exercise any one or more such rights or remedies independently or in combination.
- 17.09 The captions and headings throughout this Agreement are inserted for convenience of reference only and are not intended to describe, define or limit the scope, extent or intent of this Agreement or any provision thereof.
- 17.10 Every provision herein contained will enure to the benefit of and be binding upon Her Majesty, Her heirs, successors and assigns and the Company and its permitted successors. When the context so requires or permits, the singular number will be read as if the plural were expressed, and the masculine gender as if the feminine or neuter, as the case may be, were expressed.
- 17.11 No representations, warranties or conditions have been made to the Company in respect of the Land by Her Majesty, Her servants, agents and employees.
- 17.12 This Agreement constitutes the entire agreement between the Company and Her Majesty with respect to the subject matter of this Agreement. There are no collateral warranties or agreements.

**IN WITNESS WHEREOF**, Brian G. Thompson, Head Real Property Management, Parks Canada Agency, on behalf of Her Majesty has hereunto set his hand and seal and Hydro One Networks Inc. has hereunto affixed its corporate seal attested to by its proper signing officers duly authorized in that behalf.

**SIGNED, SEALED AND DELIVERED** )

by Brian G. Thompson, Head, Real Property )  
 Management Parks Canada Agency, on behalf of )  
 Her Majesty in the presence of )

Pamela Hamarche  
 Witness

B. Thompson  
 Brian G. Thompson  
 Parks Canada Agency

**SEALED, DELIVERED AND ATTESTED TO** )

by Robert K. Thomson, Real Estate Acquisition )  
 Manager, Hydro One Networks Inc. )  
 and by )  
 the )  
 of )

Robert K. Thomson  
 Robert K. Thomson  
 Hydro One Networks Inc.  
E. Mcarduro  
 Witness

AGREEMENT made this 16th day of August, 1977.

BETWEEN:

THE MINISTER OF NATURAL RESOURCES  
for the Province of Ontario, hereinafter  
referred to as the "Minister",

OF THE FIRST PART;

- and -

ONTARIO HYDRO, a body corporate incor-  
porated by Special Act of the Legislative  
Assembly of Ontario, having its head office  
at the City of Toronto in The Municipality of  
Metropolitan Toronto and Province of  
Ontario, hereinafter referred to as the  
"Corporation",

OF THE SECOND PART

IN CONSIDERATION OF the mutual agreements and under-  
takings herein, the parties hereto hereby agree as follows:

1. In this agreement and the land use permits issued pursuant  
thereto:

- (a) "power line" means a line consisting  
of towers, poles, wires, cables or  
other conductors used for the  
purpose of conveying or distributing  
electrical energy, other plant and  
machinery used in connection therewith  
and lines used in connection with the  
power line;
- (b) "in service date" means the date on  
which a power line is placed in service;
- (c) "Crown land" means land of which  
the Minister has charge under The  
Public Lands Act; and
- (d) "district" means administrative district  
of the Ministry of Natural Resources.

2. The Corporation shall make application to the District  
Manager of the district or districts in which a proposed power line is  
intended to be constructed, in a form provided by the Minister, for a

land use permit to occupy the Crown land required for the purpose of constructing, maintaining and operating a power line thereon.

3. (1) The Minister will ensure that the District Manager of a district in respect of which an application has been made by the Corporation in accordance with paragraph 2 will, provided that there is land available for the purpose, issue an interim authority to the Corporation to occupy the land required by the Corporation for the period from the in service date of the power line to the 31st day of December next following, hereinafter referred to as the "in service period".

(2) The interim authority referred to in sub-paragraph 1 shall be in a form provided by the Minister.

(3) The Corporation shall pay a fee to the Minister for the in service period.

(4) The fee referred to in sub-paragraph 3 shall be determined by applying the rate prescribed in the regulations under The Public Lands Act for determining the fee for a land use permit issued in respect of a power line.

4. (1) The Minister will, in the first two weeks of December in each year during the term of this agreement, cause a computation and summary by district to be made of all the acreage of Crown land occupied by the Corporation for the power lines in actual use, including those referred to in paragraph 3 hereof, and will instruct the District Manager of each district where the Corporation has so occupied Crown land to issue to the Corporation a land use permit in respect of the Crown land so occupied in each such district on or before the 1st day of January in each year.

(2) The land use permit referred to in sub-paragraph 1 shall be in a form provided by the Minister.

(3) The annual fee payable by the Corporation for each land use permit issued pursuant to sub-paragraph 1 shall be the fee prescribed by the regulations made under The Public Lands Act, and in the event that such regulations do not prescribe such fee, the annual fee shall be

determined by the Minister or by arbitration under The Arbitrations Act where, within thirty (30) days after the Minister's determination is communicated to the Corporation, the Corporation requests in writing that the annual fee be determined by arbitration.

(4) Where the annual fee payable hereunder is prescribed by the regulations or determined by the Minister, the Corporation shall pay such fee to the Minister not later than sixty (60) days after the issue of the land use permit, but where the annual fee is determined by arbitration, the Corporation shall pay the fee so determined to the Minister not later than thirty (30) days after such determination.

(5) In the event that the Corporation fails to pay the fee provided for herein on the day specified herein, interest at the rate of five (5%) per cent per annum on the outstanding fees shall accrue from such day and such interest shall be a debt owing by the Corporation to the Crown in right of Ontario.

5. (1) If, at any time, it is found expedient or necessary in the public interest to terminate the Corporation's authority to occupy any Crown land, the Minister may cancel or amend any land use permit issued under this agreement eighteen months after notice in writing of the intended cancellation or amendment has been given to the Corporation.

(2) The Corporation shall, within a time to be fixed by the Minister, remove its power line or lines, towers and other plant and machinery used in connection therewith from the Crown land in respect of which the Corporation has received a notice under sub-paragraph 1, or any Crown land in respect of which a land use permit has expired, and in default of such removal within the time fixed by the Minister the power line or lines, towers and other plant and machinery situate on the said Crown land shall forthwith become the property of the Crown in right of Ontario and all rights of the Corporation therein shall be forfeited.

6. (1) The Corporation shall not locate a power line on Crown land in or within a quarter of a mile of any provincial park or land reserved

therefor until the Corporation has obtained written consent of the Minister.

(2) Requests by the Corporation for the consent of the Minister required under sub-paragraph 1 shall be accompanied by plans showing the location of the power line.

7. (1) The Corporation, before clearing any Crown land or constructing a power line over such Crown land, shall,

- (a) advise the District Manager of the district in which the Crown land is situate of the period of time during which the clearing and the construction will take place;
- (b) supply the District Manager of the district in which the Crown land is situate with maps, plans or drawings showing sufficient details of dimensions and location to enable the District Manager to calculate the area of Crown land to be occupied by the Corporation for the purpose of the power line and to identify the location thereof on maps maintained by the District Manager;
- (c) obtain from the District Manager of the district in which the Crown land is situate approval in writing of the location of the proposed power line and consent in writing to carry out the proposed clearing and construction;
- (d) obtain from the District Manager of the district in which the Crown land is situate the work permit required by section 15 of The Forest Fires Prevention Act;
- (e) where the clearing of the Crown land will remove Crown timber that is subject to a

Crown timber licence, supply the District Manager of the district in which the Crown land is situate with the written consent of the licensee to the clearing of the Crown land; and

- (f) where the clearing of the Crown land will remove Crown timber that is not subject to a Crown timber licence, obtain the approval in writing of the District Manager of the district in which the Crown land is situate to cut such timber.

(2) Where a power line serving only a subdivision of Crown land laid out under the instructions of the Minister is built by the Corporation at the request of the Minister, the Minister shall at the expense of the Province of Ontario, conduct the land surveys and prepare the plans required for the land use permit for the power line.

8. The Corporation shall pay to the Treasurer of Ontario for timber cut under paragraph 7 such Crown charges as are determined by the Minister.

9. Nothing in this agreement shall preclude the Corporation from applying for and obtaining from the Minister a licence of occupation or other form of permission, including a grant of easement, to occupy Crown land for the purpose of constructing, maintaining and operating a power line, or other Corporation works, nor shall anything in this agreement obligate the Minister to grant to the Corporation a land use permit or any other form of permission to occupy Crown land for such purpose.

10. In the event that any Crown land in respect of which a land use permit has been issued to the Corporation hereunder is to be disposed of by the Crown in right of Ontario by sale or lease, the Minister will, before such sale or lease is effected, afford the Corporation a reasonable period of time in which to negotiate and obtain an easement under The

Public Lands Act in respect thereof upon such terms and conditions and for such fee as may be agreed upon by the Minister and the Corporation.

IN WITNESS WHEREOF the Minister has hereunto set his hand and seal of the Ministry of Natural Resources and the Corporation has hereunto set its corporate seal at the hands of its proper officers duly authorized in that behalf.

SIGNED, SEALED and DELIVERED )  
in the presence of )

*Paul O. Leitch*

as to execution by the Hon. James A. C. Auld, Minister of Natural Resources

*J. A. C. Auld*

James A. C. Auld, Minister of Natural Resources

ONTARIO HYDRO

By:

*D. J. Gordon*  
(President)

And:

*W. A. ...*  
(Secretary)

ONTARIO HYDRO
MAR 15/79
<i>[Signature]</i>
PROPERTY DIV.
MAR 23/79
<i>[Signature]</i>
ANCHOR

DATED this 16th day of August, 1977

THE MINISTER OF NATURAL  
RESOURCES for the Province of  
Ontario

- and -

ONTARIO HYDRO

\*\*\*\*\*

A G R E E M E N T

\*\*\*\*\*

Ministry of Natural Resources,  
Parliament Buildings,  
Toronto, M7A 1W3  
(wedp:sf)