

TERMS OF REFERENCE
WANETA EXPANSION PROJECT
WANETA TERRESTRIAL COMPENSATION PROGRAM
FEBRUARY 2013

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1. Background

As part of the Environmental Assessment Certificate (EAC) application process, a commitment was made to a series of owner's requirements, which are intended to offset environmental impacts associated with the WAX project. One of the owner's commitments is a contribution of \$50,000 annually for seven years towards a Waneta Terrestrial Compensation Program (WTCP) that is intended to compensate for non-mitigatable terrestrial effects attributed to the project. These impacts include:

- Increased incidence of vehicular-related wildlife mortality during the construction phase.
- Disturbance to or loss of habitat from the construction of a powerplant, sub-station, and transmission line, and,
- Associated disturbance to wildlife species.

2. Project Overview

The WTCP provides funding annually to eligible terrestrial conservation projects up to a maximum of \$50,000 per year. A Steering Committee comprised of representatives from Columbia Power Corporation (CPC) and other stakeholders will be created. This Committee's tasks include identifying program priorities for funding and making recommendations on program direction.

3. Goals

The Goal of the WTCP is to fulfil Owner's Commitment # 26 through the creation of a fund that would provide financial support to projects that promote conservation and restoration through research, physical works, and other "on the ground" or applied projects. Priority will be granted to projects that most closely address the anticipated terrestrial impacts associated with the project.

4. Program Scope

The WTCP will allocate funding towards projects that:

1. Are located within the area outlined in red in Figure 1.
2. Have a terrestrial ecosystem focus.

3. Benefit the natural environment.

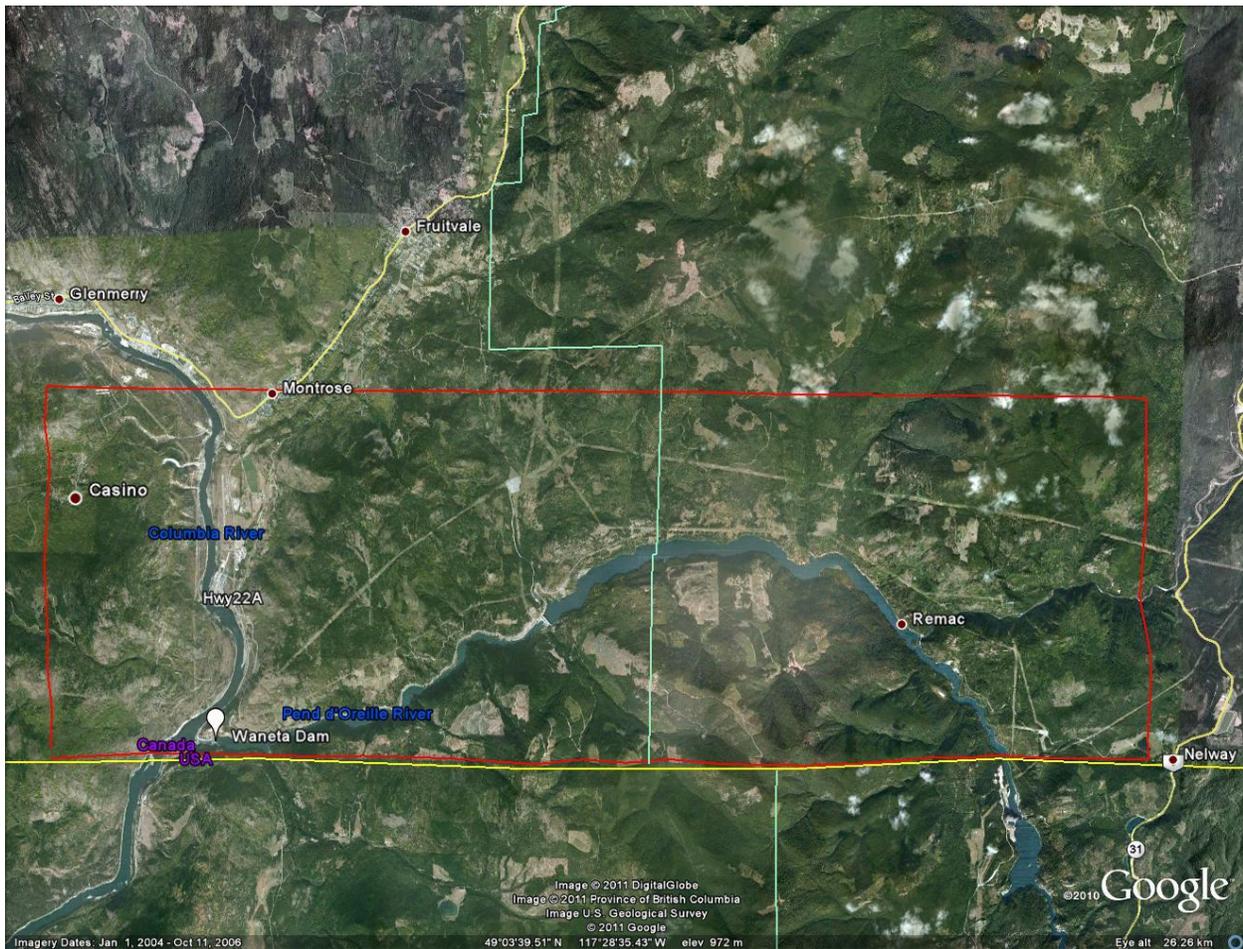


Figure 1: Funding Area

5. Roles and Responsibilities

Waneta Expansion Limited Partnership (WELP)

WELP, as project owner, provides funding and is accountable for Owner's Commitment # 26. CPC administers the WTCP under a Services Agreement with WELP. CPC has a responsibility for delivering the WTCP and retains the right to make changes to the terms of reference as it feels is required and in order to meet regulatory requirements. CPC will give the final approval on which projects receive funding in any given year based on the recommendations of the steering committee. CPC will administer all aspects of the WTCP.

Specific CPC responsibilities include:

- Receiving and screening funding applications
- Administering the project application process
- Receiving project final reports from successful applicants
- Communications regarding the WTCP
- Financial management of the WTCP
 - Budgeting for the annual contribution
 - Managing program accounts
 - Making payments to successful applicants

Steering Committee

A Steering Committee will be created to provide input and recommendations regarding WTCP projects. The Steering Committee's main responsibility will be to meet 1-2 times per year to review and discuss applications received. If individual schedules prohibit in-person meetings, email dialogue may be utilized in order to meet the WTCP objectives.

The composition of the Steering Committee may be as follows:

- Up to two representatives from CPC
- Two representatives from First Nations:
 - One representative from the Okanagan Nation Alliance (ONA)
 - One representative from the Ktunaxa Nation Council (KNA)
- One representative from the Ministry of Natural Resource Operations (MNRO)
- One representative from the Trail Wildlife Association (TWA)
- One representative from the Selkirk College School of Environment and Geomatics

Project Proponents

The individual or organization submitting an application for funding is considered to be the project proponent. Project proponents are responsible for all aspects of their projects including planning, constructing, financing, obtaining access rights, and long-term maintenance. This also includes obtaining all necessary provincial and federal approvals that may be required. A funding agreement will be required between the proponent and CPC that will detail all the respective obligations.

Project proponents are not considered contractors by CPC nor seen to be working on CPC's behalf in any manner. As such, the proponent assumes all risk and liability that is associated with the proposed project including the safety of the people working on a project, and all liability associated with any property damage.

6. Conflict of Interest

All Steering Committee members will be expected to abide by the Province of BC Public Service Agency's Conflict of Interest (COI) Policy:

http://www.bcpublicserviceagency.gov.bc.ca/policy/HR_policy/09_Standards_Conduct.htm

If a member of the Steering Committee is associated in any way with any application/project submitted for consideration, they cannot participate in the scoring of that particular application/project.

If a group/individual has submitted a Letter of Support and a member of the Steering Committee is associated with that group/individual, that member can still participate in the scoring of the particular application/project.

Failure to comply with the COI policy may result in the replacement of the particular Steering Committee member and the retraction of funding provided to any project that may have benefited from any COI related actions.

7. Eligible Projects

Funds will be distributed annually towards projects within the WTCP scope. Applications to receive funding may be submitted to CPC by interested individuals, parties, or organizations for consideration.

The WTCP will provide funding to projects which meet any or all of the following criteria:

- Contributes towards the conservation or restoration of species at risk or their associated habitat.
- Contributes to the existing information base involving species at risk or their associated habitat.
- Focuses on protecting or enhancing the biodiversity associated with the dry, valley bottoms in the Interior Cedar Hemlock biogeoclimatic zone.
- Contributes towards habitat protection through land acquisition partnerships or other means of land stewardship.
- Contributes towards increasing awareness of local biodiversity, species at risk, restoration, conservation, or habitat protection.

The WTCP will provide funding grants to specific projects which work towards achieving the program's overall goals and objectives.

Eligible projects include:

- Research
- Habitat creation (e.g. restoration, rehabilitation)
- Habitat protection (e.g. livestock fencing)
- Species inventories
- Educational programs
- Development of management plans
- Weed control
- Land acquisition

Preference will be given to projects that include volunteer opportunities, in-kind support, multiple partnerships, or letters of support from relevant organizations, and are focussed on applied science.

8. Ineligible Projects

The following are examples of projects that are ineligible for funding:

- Ongoing administrative costs for existing projects, groups, or organizations.
- Garbage/debris collection or clean up.¹
- Product trials or endorsements.
- Interest group advocacy.
- Projects that are outside of the identified target area.

9. Application Process

\$50,000 is available each year for approved projects.

Interested applicants are required to complete the standardized funding application form (Appendix A – “Application Form”) in full as well as Appendix B (“Release”) or projects will not be considered. If approved, the applicant will receive half of the requested grant allocation up front. The remainder of the grant will be provided to the applicant only upon completion of the project as it is described in the original application **and** upon receipt of the standardized project reporting form (Appendix C – “Final Report”) completed in full and to the satisfaction of CPC.

¹ Unless the project will result in a demonstrated improvement in ecological productivity.

In order to be considered for funding in any calendar year, applications must be received at CPC by **January 31**. Successful proposals are announced on **March 01** of each year.

Applicants may apply for multiple years of funding for a single project. However, this cannot be guaranteed as funding is allocated on a year to year basis and at the discretion of the Steering Committee.

If desired, unsuccessful applications may be resubmitted by the applicant for consideration in the following year.

10. Evaluation Process

Applications will be evaluated using the following criteria and in the following order of priority:

1. Relevance to WELP project terrestrial impacts.
2. Extent to which the proposal benefits local biodiversity and/or species at risk.
3. Extent to which a project incorporates applied science, actions, or activities.

11. Program Recognition

Project applicants are required to acknowledge the WTCP (e.g. media coverage, reports, etc.) wherever possible. Projects that receive funding will be expected to display WTCP signage in acknowledgement of WTCP support. CPC retains the right to promote and publicize funded projects in local papers, radio, or internet.

12. Program Term

The WTCP will provide funding over the course of seven years, commencing in 2012 and ending in 2018.

13. Release of Information

The sharing of information gathered as part of the WTCP program is important. Any formal reports, published papers, or similar produced as a result of support from the WTCP must be provided to CPC. CPC will retain the right to share this information with

external parties at our discretion or post information on the CPC website for public viewing.