

March 31, 2017

Canadian Environmental Assessment Agency
National Programs
160 Elgin Street, 22nd floor
Ottawa, Ontario K1A 0H3
Attention: Mr. Nicolas Courville and Mr. Michel K. Vitou

Dear Mr. Courville and Mr Vitou:

RE: Site C Clean Energy Project – 2016 Heritage Resources Management Plan Annual Report

Construction of the Site C Clean Energy Project commenced on July 27, 2015. This second Heritage Resources Management Plan (HRMP) annual report was prepared in accordance with Condition 15.6 of the Decision Statement which states:

The Proponent shall implement the plan and provide to the Agency an analysis and summary of the implementation of the plan, as well as any amendments made to the plan in response to the results, on an annual basis during construction and for the first five years of operation, unless otherwise indicated.

BC Hydro completed heritage work regarding palaeontological, archaeological and historical resources in the past year in accordance with the HRMP. The work completed is described in three reports: two that discuss archaeological and protected historical resources, and the third that discusses palaeontological resources. Lastly, attached is a table that provides a summary of compliance with HRMP conditions.

In accordance with the HRMP and Heritage Conservation Act permits, BC Hydro completed archaeological and historical impact management from primarily April through October, 2016. For the first time, in 2016, BC Hydro contracted with two heritage service providers rather than just one. This work is described in the following two reports:

Annual Report - HCA Permits 2014-0274 & 2015-0193 Golder - Site C Clean Energy Project - Archaeological Program Year 7 (2016) Summary Report ANNUAL REPORT - HCA PERMITS 2014-0274 & 2015-0193

Annual Report – HCA Permit 2016-0235 Ecofor - SITE C CLEAN ENERGY PROJECT SYSTEMATIC DATA RECOVERY ANNUAL SUMMARY REPORT (2016) HERITAGE INVESTIGATION PERMIT 2016-0235

When referenced again, the reports will be called Annual Report - HCA Permits Golder and Annual Report – HCA Permit Ecofor.

Archaeological and protected historical resources in B.C. are regulated under the Heritage Conservation Act. Work was performed in compliance with the following permits:

| Permit | Issued | Expiry | Amendments | Reporting Requirements | Due | Last Submitted |
|---|----------------|-------------------|--|--|-------------------|-----------------|
| Heritage - Inspection Permit 2014-0274 | July 15, 2015 | December 31, 2023 | 001: July 15, 2015 002: February 2, 2016 | Annual Permit Report to Archaeology Branch | March 31, 2017 | April 21, 2016* |
| | | | | Final Permit Report to Archaeology Branch | December 31, 2023 | Not started |
| Heritage - Site Alteration Permit 2015-0193 | July 15, 2015 | December 31, 2023 | 001: March 31, 2016 002: Nov. 18, 2016 003: January 27, 2017 | Annual Permit Report to Archaeology Branch | March 31, 2017 | April 21, 2016* |
| | | | | Final Permit Report to Archaeology Branch | December 31, 2023 | Not started |
| Heritage - Investigation Permit 2016-0235 | August 4, 2016 | March 31, 2020 | 001: expected by early or mid-April 2017 | Annual Permit Report (Ecofor to Arch Branch) | March 31, 2017 | April 21, 2016* |
| | | | | Final Permit Report to Archaeology Branch | March 31, 2020 | Not started |

* Annual Report - HCA Permits 2014-0203, 2014-0274 & 2015-0193 Site C Clean Energy Project - Archaeological Program Year 5 (2014) and Year 6 (2015) Summary Report submitted April 21, 2016 to the Archaeology Branch of Ministry Forests, Lands and Natural Resource Operations.

The three letters of approval for the Heritage Conservation Act permits listed below are attached as Appendix 1-3.

1. Permit issuance: HCA Investigation Permit 2016-0235 Ecofor
2. Permit amendment: HCA Site Alteration Permit 2015-0193 Nov. 18. 2016
3. Permit amendment: HCA Site Alteration Permit 2015-0193 Jan. 27, 2017

As per the HRMP, archaeological impact management involves work that includes:

- Archaeological inventory and impact assessments of areas with high potential for archaeological resources
- Systematic data recovery from selected protected archaeological sites
- Inspections of protected archaeological sites post ground disturbance

These three forms of archaeological work are described in the Annual Report – HCA Permits. The Annual Report – HCA Permits for Golder and Ecofor provide details of work completed, the analysis of the results, incidents as applicable, chance finds as applicable, learnings, and conclusions and recommendations. Both reports includes an Executive Summary. The full reports are attached as Appendix 4 and 5.

BC Hydro completed palaeontological work in 2016 in accordance with the HRMP and the *Canadian Environmental Assessment Act, 2012*, which requires that any structure, site or thing

that is of paleontological significance be taken into consideration. There is no provincial regulation regarding palaeontological resources. The report describes work completed in 2016 regarding palaeontological resources.

When referenced again, the annual report will be called **2016 Annual Report: Palaeontological Resources**. Please note that this report is not yet complete. It will be submitted upon completion by approximately April 30, 2017.

The 2016 Annual Report: Palaeontological Resources will summarize palaeontological field work completed in 2016 (Year 7) focused on areas recommended for mitigation through Preservation-by-Record prior to site preparation (ie, clearing, grubbing, and road improvements).

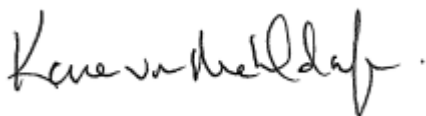
Provided below is a table that lists the Commitments or Conditions of the Environmental Assessment Certificate (EAC) and Federal Decision Statement (FDS) that relate to mitigation of heritage resources indicating the following:

- Reference to the section of the Heritage Resource Management Plan where the condition/ commitment mitigation requirements are described;
- The status of the condition and associated deliverables / actions (e.g. Not Started, Ongoing, Complete); and
- Reference to applicable deliverables / evidence that document compliance if applicable (e.g. for ongoing or completed commitments).

The table reflects the table found in Section 2 of the HRMP submitted to the CEAA on June 5, 2015 with additional columns added as described above.

Please do not hesitate to contact me at 604-695-5234, or Karen.vonMuehldorfer@bchydro.com, if you have any questions or comments.

Best regards,



Karen von Muehldorfer
Regulatory Manager
Site C Clean Energy Project

2016 HRMP Condition Compliance Summary

The purpose of the Heritage Resources Management Plan is to describe the measures that will be used to mitigate the adverse effects of the Project on heritage resources. The Plan has been developed in accordance with the conditions of the Environmental Assessment Certificate (EAC) and federal Decision Statement (FDS), as indicated in the table below.

| Condition | Condition | Plan Reference | Status | Evidence / Deliverables |
|------------------|--|---|--------------------------|------------------------------------|
| EAC Condition 62 | The EAC Holder must protect and preserve heritage resources by implementing measures as detailed in a Heritage Resources Management Plan. | Heritage Resources Management Plan | | |
| | The Heritage Resources Management Plan must be developed by a QEP. | Section 10.0 Qualified Professionals | Complete June 5, 2015 | Heritage Resources Management Plan |
| | The Heritage Resources Management Plan must specify a process for the engagement of Aboriginal Groups in planning and follow-up/monitoring activities related to heritage resources as the Project proceeds. In particular, the Plan must incorporate a process for continued collaboration with Aboriginal Groups on ground-truthing for the identification of any burial sites that the Project may disturb. | Section 4.0 Engagement with Aboriginal Groups | Complete June 5, 2015 | Heritage Resources Management Plan |
| | The Heritage Resources Management Plan must include Archaeological Impact Management and Heritage Resources Monitoring and Follow-Up Programs. The field and reporting portions of each program will be of a scope, duration and frequency prescribed by the BC Heritage Conservation Act permits. The Archaeology Impact Management Program | Section 8.0 Heritage Monitoring and Follow-Up Program Section 6.0 Heritage Resources Impact Management Section 10.0 | Complete June 5, 2015 | Heritage Resources Management Plan |

| Condition | Condition | Plan Reference | Status | Evidence / Deliverables |
|-----------|---|---|-------------|--|
| | must be developed by a QEP qualified to hold Section 14 Heritage Inspection and Investigation Permits. | Qualified Professionals | | |
| | The Heritage Resources Monitoring and Follow-Up Program must include at least the following: | | | |
| | <ul style="list-style-type: none"> Monitor reservoir erosion during occurrences of exposure to assess the impacts on existing or newly identified protected archaeological sites and other heritage resources | Section 8.0 Heritage Monitoring and Follow-Up Program | Not started | Will commence upon occurrence of reservoir exposure |
| | <ul style="list-style-type: none"> Implement mitigation measures, systematic data recovery or emergency salvage operations in accordance with the Heritage Resources Management Plan. | Section 6.0 Heritage Resources Impact Management | Ongoing | <ul style="list-style-type: none"> Annual Report – HCA Permits Golder & Ecofor 2016 Annual Report: Palaeontological Resources (expected by April 30, 2017) |
| | <ul style="list-style-type: none"> Conduct the monitoring of shoreline erosion downstream (for approximately 2 km) as part of chance-find procedures to determine if physical heritage resources are affected by the Project. The EAC Holder must undertake this monitoring for any spills from the Project reservoir for a period of two years following the commencement of reservoir filling and commissioning. | Section 8.0 Heritage Monitoring and Follow-Up Program | Not started | Will be conducted following commencement of reservoir filling and commissioning |
| | <ul style="list-style-type: none"> Establish a reporting structure for reporting to Aboriginal Groups and the Archaeology Branch beginning 180 days following the commencement of operations. | Section 9.0 Reporting | Not started | Will begin 180 days following the commencement of operations |

| Condition | Condition | Plan Reference | Status | Evidence / Deliverables |
|--------------------|--|---|--------------------------|--|
| | <ul style="list-style-type: none"> The EAC Holder must file the final Heritage Resources Management Plan with EAO, Archaeology Branch and Aboriginal Groups a minimum of 30 days prior to commencement of construction. | Section 2.3 Consultation | Complete June 5, 2015 | Heritage Resources Management Plan |
| | <ul style="list-style-type: none"> The EAC Holder must develop, implement and adhere to the final Heritage Resources Management Plan, and any amendments, to the satisfaction of EAO. | Section 2.3 Consultation | Ongoing | 2016 Heritage Resources Management Plan Annual Report |
| EAC Condition 64 | The EAC Holder must provide a total of \$100,000 to local accredited facilities in close proximity to the Project, prior to the start of operations, to curate and display the recovered resources and the funding is not to be used for buildings to house them. These funds must be provided only to facilities that agree to work with interested Aboriginal Groups on the display and curation of those artefacts. | Section 7.0 Compensation- in-Kind | Not started | To take place in Year 5 of construction phase |
| FDS Condition 15.1 | The Proponent shall ensure that the Designated Project is constructed and operated in a manner that avoids, minimizes or manages impacts to local archaeological and heritage resources. | Section 6.0 Heritage Resources Impact Management | Ongoing | <ul style="list-style-type: none"> Annual Report – HCA Permits Golder & Ecofor 2016 Annual Report: Palaeontological Resources (expected by April 30, 2017) |
| FDS Condition 15.2 | The Proponent shall develop, in consultation with Reservoir Area Aboriginal groups and the Métis Nation British Columbia, a plan to avoid, minimize or manage impacts to local archaeological and heritage resources. | Section 2.3 Consultation Section 4.0 Engagement with Aboriginal Groups | Complete June 5, 2015 | Heritage Resources Management Plan |

| Condition | Condition | Plan Reference | Status | Evidence / Deliverables |
|----------------------|--|---|-----------------------------------|---|
| FDS Condition 15.3 | The plan shall include: | | | |
| FDS Condition 15.3.1 | <ul style="list-style-type: none"> procedures to continue inventories and ground truthing of potential physical and cultural heritage resources to determine the need and applicability of mitigation measures; | <p>Section 4.0 Engagement with Aboriginal Groups</p> <p>Section 5.2 Additional Baseline Inventory</p> | <p>Ongoing</p> <p>Not started</p> | <p>See section 3. Ground Truthing, Aboriginal Plant Use Mitigation Plan (to be submitted in early July, 2017 – last submitted July 5, 2016)</p> <p>Any additional inventory work will be completed in accordance with the Heritage Conservation Act Inspection Permit 2014-0274 extension</p> |
| FDS Condition 15.3.2 | <ul style="list-style-type: none"> measures to address the effects of the Designated Project on the physical and cultural heritage and to structures, sites or things that that have been identified as being of historical, archaeological, paleontological or architectural significance by local stakeholders, relevant organizations, Reservoir Area Aboriginal groups and the Métis Nation British Columbia; | Section 6.0 Heritage Resources Impact Management | Ongoing | <ul style="list-style-type: none"> Annual Report – HCA Permits Golder & Ecofor 2016 Annual Report: Palaeontological Resources (expected by April 30, 2017) |
| FDS Condition 15.3.3 | <ul style="list-style-type: none"> procedures to monitor reservoir erosion during occurrences of low reservoir levels, to investigate any potentially new-found sites and to carry out emergency salvage procedures during construction and operation; and | Section 8.0 Heritage Monitoring and Follow-Up Program | Not started | Will commence upon occurrence of reservoir exposure |
| FDS Condition | <ul style="list-style-type: none"> procedures to monitor shoreline erosion downstream of the Site C dam for up to 2.5 kilometres during the first two years of | Section 8.0 Heritage Monitoring and | Not started | Will be conducted following commencement of reservoir filling |

| Condition | Condition | Plan Reference | Status | Evidence / Deliverables |
|--------------------|---|--------------------------|--------------------------|---|
| 15.3.4 | operation to determine if physical heritage resources are affected. | Follow-Up Program | | and commissisoning |
| FDS Condition 15.4 | The Proponent shall submit to the Agency, Reservoir Area Aboriginal groups and the Métis Nation British Columbia a draft copy of the plan for review 90 days prior to initiating construction. | Section 2.3 Consultation | Complete June 5, 2015 | Heritage Resources Management Plan |
| FDS Condition 15.5 | The Proponent shall submit to the Agency the final plan a minimum of 30 days prior to initiating construction. When submitting the final plan, the Proponent shall provide to the Agency, an analysis that demonstrates how it has appropriately considered the input, views or information received from Reservoir Area Aboriginal groups and the Métis Nation British Columbia. | Section 2.3 Consultation | Complete June 5, 2015 | Heritage Resources Management Plan |
| FDS Condition 15.6 | The Proponent shall implement the plan and provide to the Agency an analysis and summary of the implementation of the plan, as well as any amendments made to the plan in response to the results, on an annual basis during construction and for the first five years of operation, unless otherwise indicated. | Section 9.0 Reporting | Ongoing | 2016 Heritage Resources Management Plan Annual Report |