

1. NEEF MC Decisions -2012

NEEF MC Decisions #3, 4, 5, 6 and 7 are intended to be disbursed in equal annual allocation amounts over the period of time referenced in each of these decisions. In the event that approved budgets are not completely exhausted in the year of allocation the surplus amount may be carried on to the following year. Details regarding multi-year budget allocation and carry-overs will require NEEF MC approval. The establishment of a Legacy Fund (per Decisions 9 and 10) is the responsibility of Rio Tinto Alcan and the Province of BC, should that opportunity be exercised.

Decision 1 – Options for Use of NEEF

“NEEF will be used for a Water Release Facility (WRF) at Kenney Dam as well as additional environmental enhancement options.”

Decision 2 – Water Release Facility at Kenney Dam

“For a period of five years from the date of this Report, up to 80% of the total potential NEEF will be available on a matching fund basis for construction of a Water Release Facility (WRF) at Kenney Dam subject to the following conditions:

1. That the following milestones be met:
 - a. By the end of Year 1 - A proponent is identified and an acceptable Project Description is prepared and submitted to regulatory agencies;
 - b. By the end of Year 2 - An Environmental Assessment has commenced; and,
 - c. By the end of Year 5 – The Environmental Assessment process is complete and construction has commenced.
2. Drawdown of NEEF funds would not begin until after construction has commenced and would continue throughout the construction and commissioning period in accordance with a drawdown plan developed by the Parties; and
3. If after the four year period, support for the remaining necessary funds has not been confirmed, the remaining NEEF will be contributed to a Legacy Fund managed by the Parties and be available for other environmental enhancement options on a matching fund basis.”

Decision 3 – Towards a Water Release Facility at Kenney Dam

“A total of \$1M of the NEEF will be available by way of an annual allocation over a period of four years, on a matching fund basis and in accordance with the procedures outlined in the NEEF Implementation Plan, to facilitate the preparation and completion of an Environmental Assessment of the WRF Option.”

Decision 4 – Cheslatta Watershed Restoration

“A total of \$1M of the NEEF will be available by way of an annual allocation over a period of ten years, on a matching fund basis and in accordance with the NEEF Implementation Plan, in support of Cheslatta Watershed Restoration.”

Decision 5 – White Sturgeon Conservation Fish Culture Program

“A total of \$4M of the NEEF will be available by way of an annual allocation over a period of 10 Years, on a matching fund basis and in accordance with the NEEF Implementation Plan, for operation of a Nechako White Sturgeon Conservation Hatchery as directed by the Nechako White Sturgeon Recovery Initiative.”

Decision 6 – Tributary Watershed Restoration and Stewardship

“A total of \$2M of the NEEF will be available by way of an annual allocation over a period of ten years, on a matching fund basis and in accordance with the NEEF Implementation Plan, in support of tributary watershed restoration and water stewardship.”

Decision 7 – Integrated Watershed Research

“A total of \$1M of the NEEF will be available by way of an annual allocation over a period of ten years, on a matching fund basis and in accordance with the NEEF Implementation Plan, in support of integrated watershed research.”

Decision 8 – Legacy Fund

“In the event that any of the conditions attached to funds allocated for the construction of a Water Release Facility at Kenney Dam (Decision 2) are not met, and upon a Legacy Fund and management procedures having been established by the Parties to the 1997 Agreement, the remaining NEEF will be contributed to a Legacy Fund managed by the Parties and available for environmental enhancement options on a matching fund basis and in accordance with the following condition:

1. By year five, within the context of the four stated NEEF Objectives and consistent with established management procedures, the Parties will determine the scope of enhancement options eligible to receive interest from the legacy fund.” Year 1 is defined as 1 October 2012 to 31 Dec 2013. Subsequent years follow the calendar year.

Decision 9 – Uncommitted NEEF

“If the conditions of decision 2 are not met and if after five additional years a Legacy Fund has not been established due to a lack of matching funds, the Parties to the 1997 Agreement will determine the scope of options eligible to receive the remaining uncommitted NEEF.”

Decision 10 – Accountability for Implementation of the NEEF

“For as long as funds remain within the NEEF, the NEEF MC must continue to function and be accountable for implementation of enhancement options (approving work plans, managing dollars, auditing fund use, etc.)”