

December, 18, 2006

Mr. David Riddell
Project Assessment Director Environmental Assessment Office
P.O. Box 9426 Station
Provincial Government
Victoria, BC, V8W 9V1

Dear Mr. Riddell,

Re: Formal Request For A EAO Review of The Glacier/Howser Project (GHP)
Our/Ref: 1780-261

3986314 Canada Inc. was awarded last August 2006 an EPA (Electrical Purchase Agreement) by BC Hydro to supply electrical energy to BC Hydro, after submitting a proposal in response to the CFT 2006 BC Hydro Call For Power.

The proposed project consists of two run of river waterpower developments located one on Glacier Creek and the other on Howser Creek, both tributaries of the Duncan Reservoir in the Regional District of Central Kootenay Area D, approximately 65 km north of Kaslo, BC. A proposed 230 kV AC transmission line will connect the Project to the BCTC Southern Interior Power Grid at the BC Hydro Invermere substation in the East Kootenay, Area F.

The total capacity of the two proposed combined developments could reach up to 125 MW and under the signed Agreement the generation capacity should be delivered by November 2010 to BC Hydro.

As the potential planned capacity of the proposed Project, exceeds the *BC Environmental Assessment Act* inclusion threshold of 50 MW, we assume that the project would be subject to an environmental review under BCEAA. As such, 3986314 Canada Inc. is requesting a formal determination of the applicability of the *BC Environmental Assessment Act* to the proposed GHP Project.

Later in the process, 3986314 Canada Inc. also intends to apply for your concurrent review of permit applications to appropriate provincial government agencies.

... 2

Mr. David Riddell
December 18, 2006

Page 2

We hope that this draft Project Description, presenting the updated conceptual layout of the project and taking into account your previous comments will allow you to designate the project as reviewable and requiring EA certification, according to the section 10(1)(c) of the EAA.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alex Stoian', with a horizontal line extending from the top right of the signature.

Alex Stoian, P. Eng, APEGBC
GHP Project Manager
Tel: (514) 846-4000, ext.: 409

Encl.: Glacier / Howser – Project Description