



August 31, 2018

**File: 1003936**  
**vFCBC Tracking No.: 100205349**

**Catalyst Paper Corporation**

c/o Crofton Division  
PO Box 70  
Crofton BC V0R 1R0

**Dear Sir or Madam:**

**Re: Water Licence Application WLA20170918-0001**

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The investigation of the above application has been completed. Enclosed is a copy of your Conditional Water Licence No. 500495.

Please read the documents carefully. Any error(s) in these documents should be brought to the attention of this office as soon as possible.

Catalyst Paper is to provide adequate prior notice (10 days) to the local community of pending lowered lake level elevations from proposed drawdown operations. Notification through local newspapers and notices posted at local gathering places would be acceptable for the community (post office, parks, boat launches).

Please be aware that Catalyst Paper is to monitor for developing navigational hazards as they develop from lowered lake levels in Cowichan Lake and connected water bodies. All attempts at demarcation of these hazards for the safety of the boating public navigating the lake must be made. You are encouraged to discuss appropriate marking with Transport Canada.

Please note that the Cowichan Tribes First Nation has requested notification prior to commencement and conclusion of pumping operations, copies of weekly monitoring reports and for the participation in any amendments to the environmental management/monitoring plans as a result of the findings from ongoing monitoring.

Catalyst Paper must provide publically available information through the company website of ongoing drawdown operations on Cowichan Lake, results of weekly monitoring reports and any known or developing navigational hazards.

Please note that there has been responses received from landowners who are concerned about impacts to their property from proposed pump out operations. It is understood that Catalyst Paper is committed to working independently with residents who sustain property damage due to material reductions in the lake level attributable to the pumping operations.

Page 1 of 3

Catalyst Paper must implement the prepared environmental management plan in respect to the proposed pumping operations; this includes the weekly reporting of findings from ongoing environmental monitoring parameters. Please be aware that these results may lead to the adaptive management of the water licence if required.

It is understood that Catalyst Paper has agreed to cover the costs associated with acquiring the approved drop siphon system that is required to maintain the operation of the Town of Lake Cowichan's water supply system once lake elevation drops below 161.3m GSC. This includes covering the costs for installation, maintenance, monitoring and seasonal removal (if desired) of the works so that the Town of Lake Cowichan incurs no costs associated with the upgrade required to exercise the rights within this authorization.

You are advised that the *Drinking Water Protection Act* and the Drinking Water Protection Regulation under that Act govern the construction, installation, alteration, extension and operation of joint works that form part of a domestic water system supplying more than one single-family residence or any facility or establishment where the public consumes water. It is the responsibility of the licensee to comply with the Act and Regulations noted above. Your local Regional Health Authority will be able to assist you.

We wish to inform you that the water body serves as a spawning and rearing area for fish. The protective requirement of the federal *Fisheries Act* must be met. Accordingly, it will be necessary for you to screen your water intake to protect against entry of small fish. Refer to the Fisheries and Oceans Canada website: [www.dfo-mpo.gc.ca](http://www.dfo-mpo.gc.ca).

Please note the following:

- 1) Water licences do not authorize entry on privately owned land for the construction of works, or flooding. Permission of the affected landowner must be obtained or an easement expropriated. For your protection, permission should be in writing and registered with the appropriate Land Title Office.
- 2) Permission for installing works on lands or roadways which are under the jurisdiction of any government agency, must be obtained from the agency concerned.

Please contact FrontCounter BC to assist you with notifications and any applications required if:

- a) there is any change in your mailing address;
- b) you sell the land to which the licence is appurtenant;
- c) you propose to subdivide the land to which the licence is appurtenant; or
- d) you propose to alter the works authorized under the licence.

In order for you to keep your water licence in good standing, the following must be observed:

- a) continued beneficial use of water, as authorized under your licence;
- b) payment of annual rentals;
- c) compliance with the terms of your licence; and
- d) compliance with the terms of the *Water Sustainability Act*.

One of the obligations of a water licence is the payment of annual rentals and fees to the Crown for the authorization to exercise the rights granted under the licence. Failure to pay water rental invoices by a specified date may result in late-payment penalties, collection action or cancellation of the licence. Any questions in regards to invoices, statements or billing procedures should be directed to the Water Revenue Unit at 1 800 361-8866. Callers from the Victoria area should dial 250 387-9445.

The *Water Sustainability Act* gives the recipient of this notice the right to appeal my decision. Information on filing an appeal can be found on the Environmental Appeal Board website at: <http://www.eab.gov.bc.ca/>. A right of appeal from my decision lies to the Environmental Appeal Board. Notice of any appeal must (1) be in writing; (2) include grounds for the appeal; (3) be directed by registered mail to the Chair, Environmental Appeal Board, PO Box 9425 Stn Prov Govt., V8W 9V1 or personally delivered to the office of the Board at 4th Floor, 747 Fort Street in Victoria, BC V8W 3E9, [eabinfo@gov.bc.ca](mailto:eabinfo@gov.bc.ca); (4) be delivered within 30 days of receiving this letter, and (5) be accompanied by a fee of \$25.00, payable to the Minister of Finance.

If you have any questions or concerns, please contact this Dave Skarbo, Authorizations Specialist – Water by email at [david.skarbo@gov.bc.ca](mailto:david.skarbo@gov.bc.ca) or by phone at 250 751-7311.

Yours truly,



Darryl Slater  
Water Manager

Enclosure(s)

cc: Larry George, Cowichan Tribes First Nation, 5760 Allenby Rd, Duncan, BC, V9L 5J1  
Cowichan Valley Regional District, 175 Ingram Street, Duncan, BC, V9L 1N8



# Province of British Columbia

## *Water Sustainability Act*

### CONDITIONAL WATER LICENCE

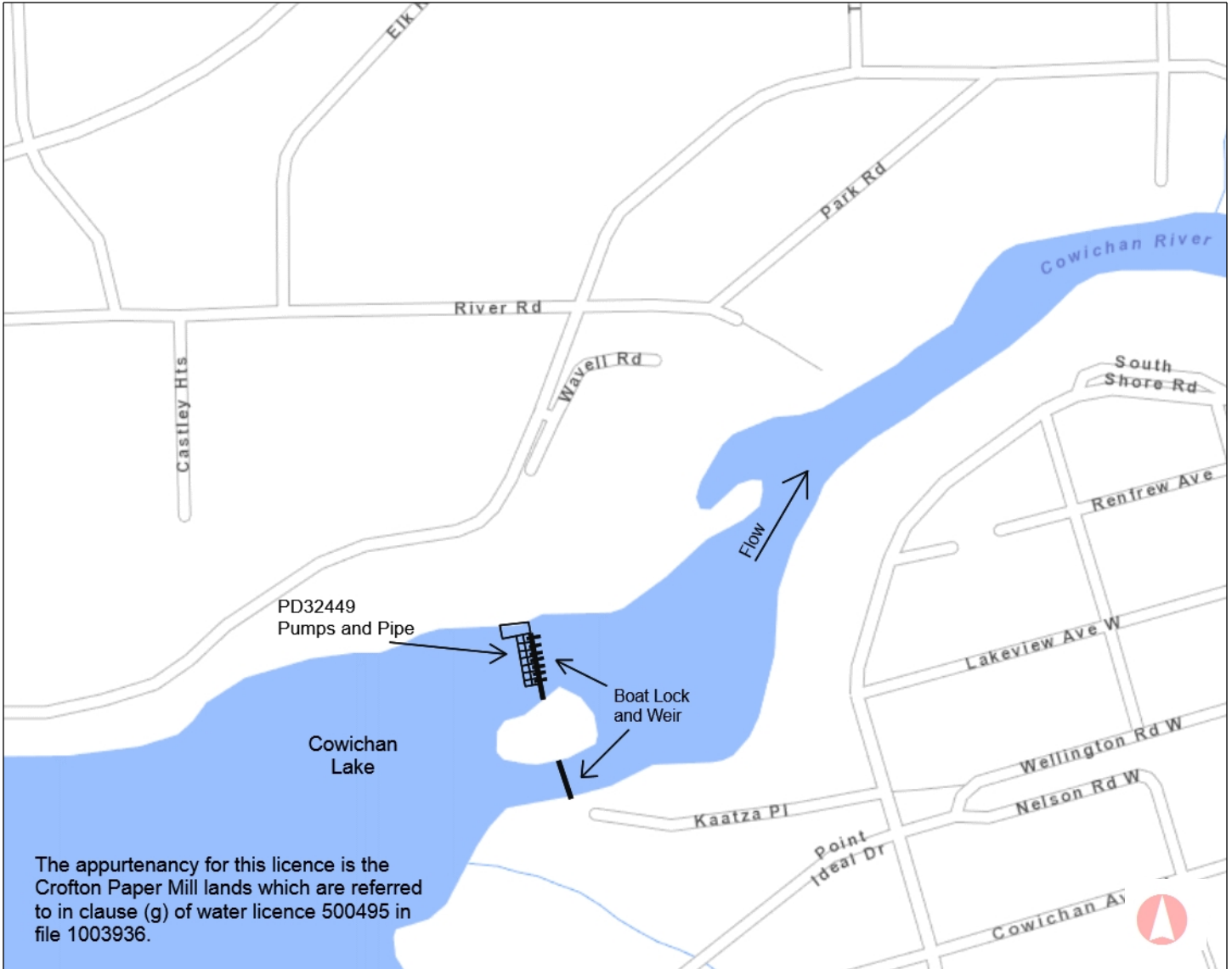
The owners of the undertaking to which this licence is appurtenant is hereby authorized to divert and use water as follows:

- a) The stream on which the rights are granted is Cowichan River.
- b) The point of diversion is located as shown on the attached plan.
- c) The date from which this licence shall have precedence is April 21, 2017.
- d) The purposes for which this licence is issued are industrial (pulp mill) and conservation (use of water).
- e) The maximum quantity of water which may be diverted and used for industrial (pulp mill) purpose is 146,880 cubic metres per day at a rate not to exceed 1.7 cubic metres per second. The maximum quantity of water which may be diverted and used for conservation (use of water) purpose is 2.8 cubic metres per second.
- f) The period of the year during which the water may be used is a maximum of 49 days from the date of commencement of drawdown pumping operations.
- g) The undertaking upon which the water is to be used and to which this licence is appurtenant is the undertaking of the licensee within Lot 1, Section 3, Range 10, Chemainus District, Plan 16471; Lot 2, Section 4, Range 10, Chemainus District, Plan 3198, except that part in Plan VIP76653; Lot 1, Section 3, Range 10, Chemainus District, Plan 1471, except parts in Plans 11613, 13731 and 16471; Section 3, Range 9, Chemainus District, except parts in Plans 920 RW and 921 RW; That part of Sections 5 and 6, Range 10, and that part of the foreshore of District Lot 172, Chemainus District, shown coloured red on Plan deposited under DD 14529I; Lot 1 of Sections 4, 5, and 6, Range 10, Chemainus District, Plan VIP69811; Lot 2 of Sections 2, 3, and 4, Ranges 10 and 11, Chemainus District, and of Sections 5 and 6, Range 10, Chemainus District, and of District Lots 141 and 475, Cowichan District, Plan VIP69811, except that part in Plan VIP76654; Lot 3 of Sections 2, 3, and 4, Ranges 10 and 11, and District Lot 107, Chemainus District, and of District Lots 141 and 475, Cowichan District, Plan VIP69811; Lot 4 of Sections 4 and 5, Range 10, Chemainus District, Plan VIP69811; and Lot 5, Section 2, Ranges 10 and 11, Chemainus District, Plan VIP68911.
- h) The authorized works are pumps and pipes which shall be located approximately as shown on the attached plan.
- i) The installation of the said works shall be completed and the water shall be beneficially used as needed each year. The removal of the said works shall be completed as soon as possible once pumping operations are completed for the year.

- j) This licence authorizes the commencement of the diversion of water once the control structure weir on Cowichan Lake is in a fully open position (161.4m GSC elevation) and the natural outflow of water past the structure reaches a rate of 4.5 cubic metres per second. Diversion of water is authorized for a maximum of 49 days or a minimum lake elevation of 160.8m GSC, whichever occurs first.
- k) The licensee must replace or extend intakes, or other diversion works of those persons authorized to divert and use water who hold licences with earlier dates of precedence than that of this licence. If, in particular cases it is not feasible or practicable to replace or extend those intakes or other diversion works, the licensee must instead provide an interim water supply.
- l) The licensee must install works substantially the same as the Koers & Associates Engineering Ltd designed drop siphon system within design drawing 1644-1 Revision 1 dated September 23, 2016, that is approved by Island Health construction permit WS-1897 dated September 25, 2016, consisting of a drop siphon system to ensure the continuing operation of the Town of Lake Cowichan water supply, prior to the water elevation in Cowichan Lake reaching 161.3m GSC.
- m) The licensee must ensure that the pumps are adequately screened in order to prevent the entrapment of fish and aquatic organisms.
- n) This water licence has an expiry date of Dec 31, 2028.



Darryl Slater  
Water Manager



WATER DISTRICT: Victoria  
 PRECINCT: Duncan  
 LAND DISTRICT: Cowichan

Signature: *Phyl Sten*  
 Date: August 31, 2018

LEGEND:

Scale: 1: 5,000  
 Point of Diversion: ●  
 Map Number: 92C.090.2.1  
 Pipe: - · - · - · - ·

C.L. 500495  
 File 1003936  
 P.C.L. Not Applicable