



*Nechako Environmental
Enhancement Fund*

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APRIL 2014 UPDATE



UPDATE

2013 has been a time of change for the Nechako Environment Enhancement Fund (NEEF). NEEF Chair Lynda Currie's term ended March 31, 2014 and Ted Zimmerman has been appointed the incoming NEEF Chair. As well, the NEEF Management Committee (MC) created an administrative process for applicants to follow in order to apply for NEEF funds, and Dan Boudreau was contracted to administer projects. On the project front, NEEF has approved funding in the amount of \$500,000.00 to the University of Northern BC over four years for integrated water research in the Nechako Water Basin and 2014 marks the second year of \$400K NEEF funding for the Nechako White Sturgeon Conservation Centre and completing the sturgeon biochronology work.

HISTORY OF NECHAKO ENVIRONMENTAL ENHANCEMENT FUND

As part of an agreement between the Province and Alcan (BC/Alcan 1997 Agreement) Rio Tinto Alcan agreed to contribute up to \$50 million to the Nechako Environmental Enhancement Fund (NEEF). The purpose of the fund is to enhance the environment of the Nechako watershed. The decision on the best use of the fund was given to a Management Committee whose structure and mandate is stated in the 1997 Agreement. The first decisions were made in 2001 and a second report was released in 2012.

In the report of September 2012 the Management Committee stated 10 decisions relating to the use of the NEEF which supersede the decisions it made in 2001. The decisions are shown on the next page.

SUMMARY OF ACTIVITIES

Since the release of its report in September 2012 the Management Committee has committed a total of \$4.5 million towards environmental enhancement in the Nechako watershed through three projects.

The NEEF MC approved an application from the Nechako White Sturgeon Recovery Initiative in partnership with Freshwater Fisheries Society of BC for \$400,000.00 per year over ten years towards planning and operation of a sturgeon conservation centre now being built in Vanderhoof. Construction is well on its way, the facility will be operational in the next several months, and the first sturgeon will be rearing in the spring of 2014.

The NEEF MC also approved a project proposal submitted by the Nechako White Sturgeon Recovery Initiative (NWSRI) to conduct a biochronology study on Nechako sturgeon. This study seeks to understand the physical and biological conditions of the river over the past 40 years that have supported occasional recruitment and survival of wild juvenile Nechako white sturgeon. The results will allow the NWSRI to calibrate future releases of young sturgeon reared in the conservation facility.

The NEEF MC has committed \$500,000.00 to a team of researchers from the University of Northern British Columbia to conduct integrated watershed research covering the topics of sediment sources and transport, variability and trends in snowpack and stream flow, climate change and future projections, salmon impacts on aquatic health and habitats, and ecosystem/community health and well-being.

We have also received expression of interest from groups working toward proposals to conduct work under Decision 6: Tributary watershed restoration and stewardship, and Decision 2 towards construction of a water release facility at Kenney Dam.

DECISIONS ON USE OF THE FUND

OPTION 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.”

OPTION 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 be available on a matching fund basis for construction of a Water Release Facility (WRF) at Kenney Dam...”

OPTION 3 – TOWARDS A WATER RELEASE FACILITY AT KENNEY DAM

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

OPTION 4 – CHESLATTA WATERSHED RESTORATION

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

OPTION 5 – WHITE STURGEON CONSERVATION FISH CULTURE PROGRAM

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

OPTION 6 – TRIBUTARY WATERSHED RESTORATION AND STEWARDSHIP

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

OPTION 7 – INTEGRATED WATERSHED RESEARCH

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

OPTION 8 – LEGACY FUND

“...in the event 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...”

OPTION 9 – UNCOMMITTED NEEF

“...if 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.”

OPTION 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 (approve work plans, manage dollars, audit fund use, etc.)”

NEW NEEF MC CHAIR

Ted Zimmerman has been appointed by the Province to Chair the NEEF MC. Mr. Zimmerman replaces the outgoing NEEF Chair, Lynda Currie, and assumes the position on April 1, 2014.

APPLICATION PROCESS AND CRITERIA

The NEEF MC is tasked with implementation of the fund and as such is responsible for ensuring the fund is expended for its intended purpose. This accountability includes the requirement to put in place administrative controls, developing project qualification criteria and establishing due-diligence procedures.

The structure of the NEEF and organization of the NEEF management committee is articulated in the BC/Alcan Agreement. According to new guidelines established in December 2013, the fund will cover up to 50% of approved project costs. In-kind donations are acceptable at market rates and must be verifiable and documented by written commitments from contributors. Where appropriate, the NEEF Management Committee will approve projects subject to confirmation of matching funding. Once matching funds have been confirmed, the NEEF MC will negotiate and enter into an agreement with the recipient.

In the early days of NEEF it was thought that the funds would mainly go to one project, a cold water release facility at Kenney Dam. Over the course of time objectives have changed to include options for a number of approved and proposed projects, highlighting the need for consistent ways of setting up and administering projects. To that end, the NEEF Management Committee has retained the services of Dan Boudreau (Macrolink Action Plans Inc.) as NEEF Project Administrator. Boudreau is tasked with setting up an administrative process and working with proponents and recipients to develop proposals and manage projects. Boudreau has managed Nechako-Kitamaat Development Fund Society since 2004. NKDF is an economic development fund that was also established under the BC/Alcan 1997 Agreement. The NKDF Society began operating in 1999 through matching contributions of \$7.5 million by Rio Tinto Alcan and the Province of British Columbia, and has since its inception allocated over \$7 million to 235 projects.

If you are interested in pursuing environmental enhancement in the Nechako watershed we encourage you to call the Project Administrator, Dan Boudreau, to discuss your project idea. We recommend following the "How to Apply" steps identified at, <http://www.neef.ca/how-to-apply/application-review-and-assessment-process> in preparation for your call to the Project Administrator. More information on the proposal guidelines and submission criteria is available at the NEEF website at <http://www.neef.ca/guidelines/background>.

You can get more information at our website at www.neef.ca or by contacting us at:

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