

OVERVIEW: Proposed project to construct transmission line and upgrade terminal station at Star Lake to supply Valentine Gold Project

Project Overview

Newfoundland and Labrador Hydro (NL Hydro) is proposing to construct and operate a new 69 kiloVolt (KV) transmission line (TL271) from their existing Star Lake Terminal Station to a terminal station being developed by Marathon Gold Corporation (Marathon) at the proposed Valentine Gold Project mine site (see Figures 1 and 2 below). Project construction activities will include upgrades to the Star Lake Terminal Station which will occur within the existing station property and construction of a new wood pole transmission line (TL271) to the mine site. The length of TL271 will be approximately 40 km with a right of way approximately 15 m to 25 m wide.

The purpose of the project is to enable the supply of electrical power to the proposed Valentine Gold Project. An estimated peak demand of 23 megawatts (MW) is required for the operational phase of that project. The Valentine Gold Project is currently undergoing environmental assessment in accordance with the former Canadian Environmental Assessment Act, 2012 and provincial Environmental Protection Act, 2002, which is a separate undertaking than the proposed terminal station upgrades and construction of TL271.

Figure 1.

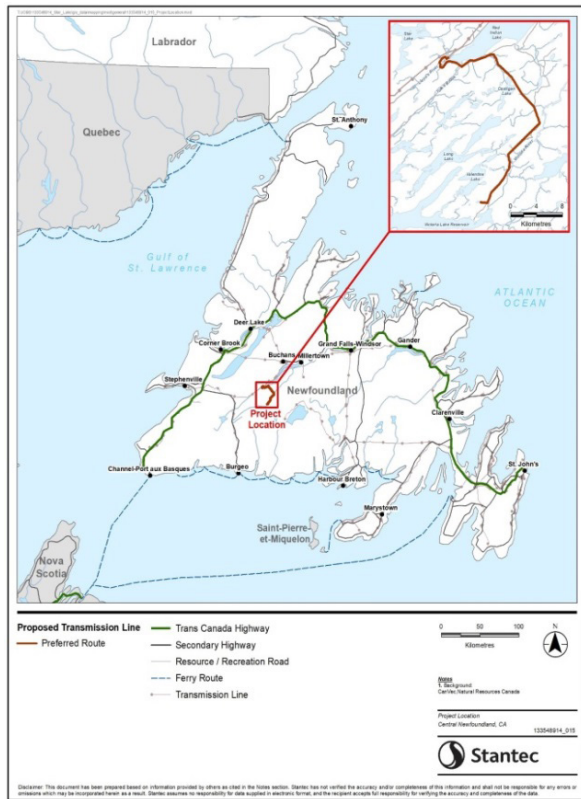
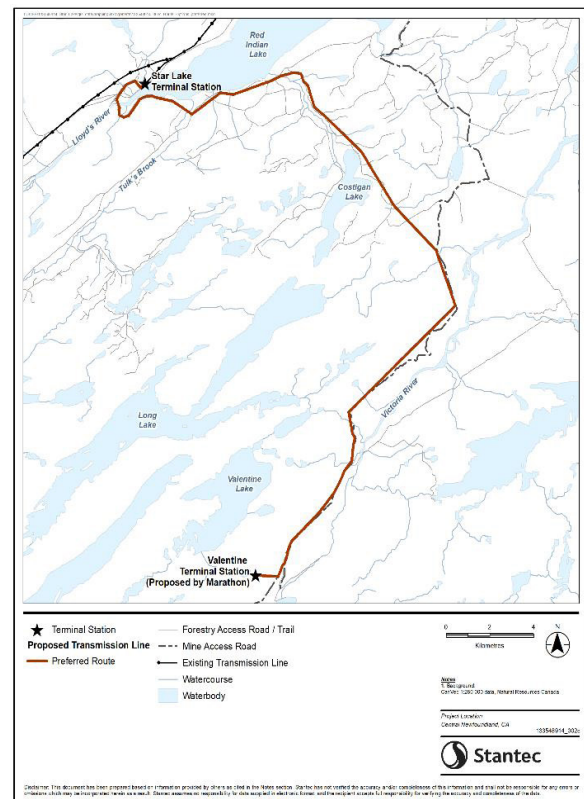


Figure 2.



Location & Route of Transmission Line (TL271)

The project is located in a remote area in rural central Newfoundland, approximately 52 km southwest from the town of Millertown and 45 km southwest from the town of Buchans. The project is located primarily on provincial Crown land. Land use in the general area is characterized by mining and other land and resource uses, including commercial forestry, outfitting, and recreational land use.

The proposed route for TL271 from the Star Lake Terminal Station to the Valentine Gold Terminal Station is shown in Figures 1 and 2.

The preferred route begins at the Star Lake Terminal Station and runs north a short distance before turning southwest along existing access roads to Lloyd's River. This routing allows the transmission line to avoid cabin properties along the north shore of Red Indian Lake between the Star Lake powerhouse and the Lloyd's River bridge. The new transmission line would span Lloyd's River (on the east side of the bridge) and then will generally follow the existing forestry road along the southern shoreline of Red Indian Lake before turning south and travelling cross-country toward Costigan Lake. TL271 will pass along the east side of Costigan Lake until it reaches the access road to the Valentine Gold Mine site. TL271 will continue to generally follow the mine access road until it reaches the proposed Valentine Terminal Station.

Construction Timing & Approach

Pending regulatory approvals, construction activities are scheduled to start in early 2022, with transmission line operations commencing in early 2023. Depending on timing of release from Environmental Assessment and sanction of the project, clearing activity for TL271 may commence in the fall of 2021 in an effort to avoid the migratory bird season. Construction activities will be undertaken, to the extent practical, to avoid sensitive time periods for fish and wildlife. Where these periods cannot be avoided, additional mitigation may be required, which would be identified in consultation with applicable regulators.

Right of Way (RoW) clearing will include a combination of hand cutting, mechanical harvesting, and mechanical mulching depending on permitted requirements for the area. All harvested timber will be processed in accordance with provincial regulations and will be either stockpiled along the RoW or in a pre-determined location. RoW access will be created primarily using existing forest access roads where possible. Given the proximity of the transmission line to existing roads along much of the preferred route, the need for access road development will be limited. Operation and maintenance activities will primarily involve asset inspection and vegetation control.

Environmental Assessment

NL Hydro has engaged Stantec Consulting Ltd to prepare the Environmental Assessment for TL271. Desktop environmental component studies are ongoing to evaluate the potential effects of the project on water resources, wildlife, vegetation, historic resources, and area users.

A desktop environmental constraints analysis to review proposed route options and identify potentially sensitive environmental features and land use restrictions with the RoW has been completed. This study has shown there are environmental attributes within, or which intersect with, the proposed TL271 project. These attributes include watercourses (including scheduled salmon rivers and/or tributaries), wetlands, pine marten critical habitat, and a known caribou migration route for the Buchans herd. TL271 RoW also overlaps with one registered cabin lot near Lloyd's River. A known archaeological site is also identified along the western shore of Costigan Lake approximately 250 metres from the RoW. Mitigation will be in place to address any identified areas of concern and will be determined in consultation with appropriate regulatory bodies.