

Addendum #1 February 2, 2009 to: Arrow Reservoir Plant Response to Inundation (CLBMON 35) dated 25 January 2008

A1.1 Addendum Rationale

As specified in the Columbia WUP Order (dated 26 January 2007), BC Hydro submitted Terms of Reference to study plant response to inundation in Arrow Lakes Reservoir. On 08 April 2008, the Comptroller of Water Rights (CWR) provided Leave to Commence with the work. The approved implementation and management costs assumed that the program would commence in 2010, and would be carried out over five years.

Since receiving approval on the study Terms of Reference, it has come to our attention that some of the work under the Columbia River Water Use Plan would need to be deferred due to internal resource constraints. Given that the Plant Response to Inundation study in Arrow Reservoir is not integral to successful delivery of other WUP work being conducted in the region and results are not required until the WUP review in 2021, BC Hydro is proposing that implementation be delayed by one year to 2011.

No other changes are required to the Terms of Reference.

A1.2 Budget

As a result of this change in schedule, the annual budgets have increased slightly reflecting the 2% rate of inflation that is applied to each implementation year. Overall, the implementation of the monitoring program is expected to cost \$224,136 (including 2% rate of inflation and 5% contingency) over the three years of study, as compared to the approved budget of \$220,081.