



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

VARY ORDER

EB-2018-0191

IAMGOLD CORPORATION

Order Varying the Decision and Order issued on December 6, 2018

BEFORE: Emad Elsayed
 Presiding Commissioner

January 6, 2021

TABLE OF CONTENTS

1	INTRODUCTION AND SUMMARY.....	1
2	THE PROCESS	2
3	THE APPLICATION.....	3
4	FINDINGS	6
5	ORDER	7

1 INTRODUCTION AND SUMMARY

At the request of IAMGOLD Corporation (IAMGOLD), the Ontario Energy Board (OEB) has decided to review and vary its Decision and Order in this proceeding issued on December 6, 2018 (Decision and Order).

The Decision and Order granted IAMGOLD leave to construct approximately 44 kilometres of 115 kilovolt electricity transmission line from the Hydro One Network Inc. (HONI) transmission system at Shining Tree Junction to the Côté Gold Mine (Mine) located approximately 20 km southwest of Gogama, Ontario (Project).

The Decision and Order was issued with certain conditions of approval, including a requirement that IAMGOLD commence construction of the transmission facilities within 12 months of the date of the Decision and Order (i.e., by December 6, 2019).

On September 30, 2019, IAMGOLD filed a motion requesting that the OEB extend the deadline by which construction must commence to 24 months from date of the Decision and Order (i.e., by December 6, 2020). The OEB approved IAMGOLD's request by way of a Vary Order issued on October 9, 2019.

On June 3, 2020, IAMGOLD filed a motion requesting that the OEB extend the deadline by which construction must commence to 28 months from date of the Decision and Order (i.e., by April 6, 2021). The OEB approved IAMGOLD's request by way of a Vary Order issued on June 8, 2020.

On January 5, 2021, IAMGOLD filed a motion requesting that the OEB extend the deadline by which construction must commence to 40 months from date of the Decision and Order (i.e., by April 6, 2022).

As described in this Vary Order, the OEB approves IAMGOLD's request.

2 THE PROCESS

Pursuant to section 21(4)(b) of the *Ontario Energy Board Act, 1998* (OEB Act), the OEB has determined that no one will be adversely affected in a material way by the outcome of this motion, and has decided to dispose of this motion without a hearing.

Rule 40.03 of the Board's *Rules of Practice and Procedure* (Rules) states that a motion to vary under rule 40.01 is to be filed and served within 20 calendar days of the OEB's order or decision. As IAMGOLD's motion is outside this timeframe, as a preliminary matter the OEB has decided to provide an extension to the timeframe set out under Rule 40.03 such that this motion may be considered. According to Rule 7.01, the OEB may on its own motion or upon a motion by a party extend or abridge a time limit directed by the Rules.

The OEB has determined that the grounds for the motion satisfy the requirements of Rule 42.01(a)(ii) in that there has been a change in circumstances that justifies varying the Decision and Order.

3 THE APPLICATION

On December 6, 2018, the OEB granted IAMGOLD leave to construct the Project. Condition of Approval 2 of the Decision and Order (Condition 2) provided as follows:

2. Unless otherwise ordered by the OEB, authorization for Leave to Construct to IAMGOLD Corporation shall terminate 12 months from the date of this Decision and Order, unless construction has commenced prior to that date. [emphasis added]

IAMGOLD's first motion to vary requested that Condition 2 be varied as follows:

2. Unless otherwise ordered by the OEB, authorization for Leave to Construct to IAMGOLD Corporation shall terminate 24 months from the date of this Decision and Order, unless construction has commenced prior to that date. [emphasis added]

In its first motion to vary, IAMGOLD explained that construction of the Project had been deferred due to uncertain market conditions. IAMGOLD sought to vary Condition 2, to ensure compliance with the Decision and Order. IAMGOLD stated that, despite the deferral, it remained committed to the development of the Mine and would continue with development activities in the interim.

IAMGOLD's second motion to vary requested that Condition 2 be varied as follows:

2. Unless otherwise ordered by the OEB, authorization for Leave to Construct to IAMGOLD Corporation shall terminate 28 months from the date of this Decision and Order, unless construction has commenced prior to that date. [emphasis added]

In its second motion, IAMGOLD explained that construction of the Project has been delayed due to the COVID-19 pandemic. IAMGOLD stated that:

- a) No party or other ratepayer will be adversely impacted by granting the requested change.
- b) IAMGOLD is not a rate regulated transmitter and is financially responsible for the costs of the transmission facilities.
- c) IAMGOLD has reached out to the Independent Electric System Operator (IESO) and confirmed that the requested deferral will not have an adverse impact on the IESO-controlled grid.

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- d) IAMGOLD has been in communication with Hydro One Networks Inc. (HONI) which has indicated that the requested change will not adversely impact their associated project¹.
 - e) IAMGOLD will provide a written status update to the OEB no later than June 30, 2020.
 - f) No permits or approvals will lapse prior to April 6, 2021.

IAMGOLD's current motion requests that Condition 2 be varied as follows:

- 2. Unless otherwise ordered by the OEB, authorization for Leave to Construct to IAMGOLD Corporation shall terminate 40 months from the date of this Decision and Order, unless construction has commenced prior to that date. [emphasis added]

In its current motion, IAMGOLD explains that construction of the Project continues to be delayed due to the COVID-19 pandemic as well as other factors including the availability of materials, seasonal timing restrictions related to environmental protection, and the need to coordinate the Project with the overall development of the Mine.

IAMGOLD states that it remains committed to the Project as evidenced by such activities as the official ground breaking ceremony on September 11, 2020, which was co-hosted by various political dignitaries including the Prime Minister of Canada, the Premier of Ontario, the Chief from Mattagami First Nation and the Chief from Flying Post First Nation².

IAMGOLD reiterates that:

- a) No party or other ratepayer will be adversely impacted by granting the requested change.
- b) IAMGOLD is not a rate regulated transmitter and is financially responsible for the costs of the transmission facilities.

¹ EB-2018-0257. An application by HONI to upgrade T2R (one circuit of a 115 kilometre idle 115 kilovolt electricity transmission line) to serve IAMGOLD. At the same time that the upgrade work is being completed, HONI will refurbish T61S, an adjacent transmission circuit located on the same towers as T2R. The OEB approved HONI's application on March 21, 2019.

² <https://www.iamgold.com/English/investors/news-releases/news-releases-details/2020/IAMGOLD-Hosts-Ground-Breaking-Ceremony-Symbolizing-the-Start-of-Construction-of-the-Ct-Gold-Project/default.aspx>

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- c) IAMGOLD has reached out to the Independent Electric System Operator (IESO) and confirmed that the requested deferral will not have an adverse impact on the IESO-controlled grid.
 - d) IAMGOLD has been in communication with Hydro One Networks Inc. (HONI) which has indicated that the requested change will not adversely impact their associated project³.

Furthermore, IAMGOLD states that:

- a) No permits or approvals will lapse prior to April 6, 2022.
- b) If requested by the OEB, IAMGOLD will provide interim status updates to the OEB on the progress of the transmission facilities.

IAMGOLD states that the Project is a critical component of the Mine, which is anticipated to generate over 1,000 jobs during construction, 450 jobs during operations, C\$5 billion in wages and more than C\$10 billion in GDP over its lifespan. IAMGOLD submits that the public interest is furthered by granting the request to vary Condition 2 as requested.

³ EB-2018-0257. An application by HONI to upgrade T2R (one circuit of a 115 kilometre idle 115 kilovolt electricity transmission line) to serve IAMGOLD. At the same time that the upgrade work is being completed, HONI will refurbish T61S, an adjacent transmission circuit located on the same towers as T2R. The OEB approved HONI's application on March 21, 2019.

4 FINDINGS

The OEB finds that IAMGOLD's request for a delayed start to the construction of the Project is reasonable given that IAMGOLD is the only party adversely affected in a material way by the delay. IAMGOLD remains committed to the Project and the remaining conditions of approval stipulated in the Decision and Order remain unchanged.

The OEB will vary the Decision and Order to provide for an extension of the construction commencement deadline by an additional 12 months, i.e. to April 6, 2022.

5 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Decision and Order in EB-2018-0191, issued December 6, 2018, is varied such that Condition of Approval (2) reads as follows:
 2. Unless otherwise ordered by the OEB, authorization for Leave to Construct to IAMGOLD Corporation shall terminate 40 months from the date of this Decision and Order, unless construction has commenced prior to that date.
2. IAMGOLD shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

DATED at Toronto January 6, 2021

ONTARIO ENERGY BOARD

Original Signed By

Christine E. Long
Registrar