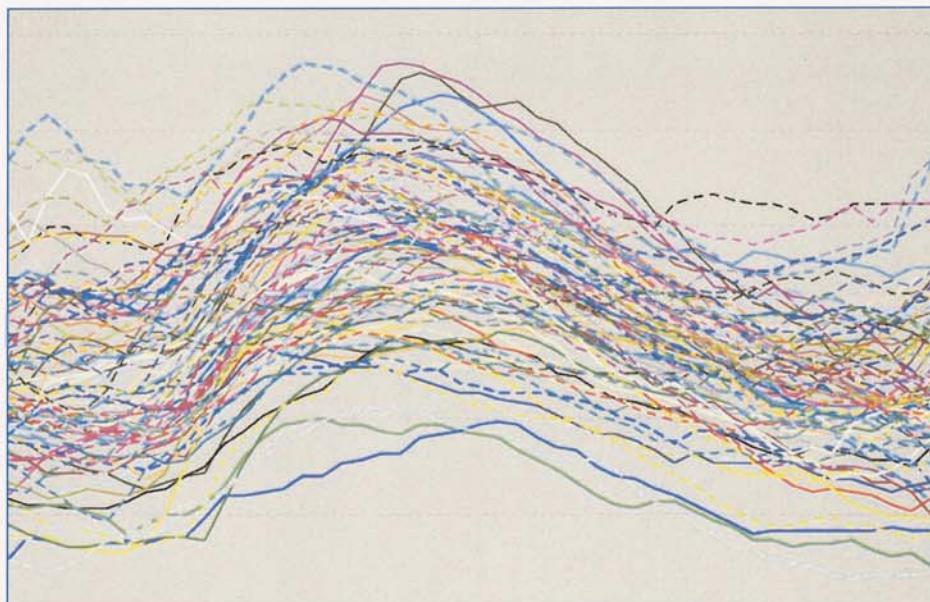


10th PROGRESS REPORT
to the
INTERNATIONAL JOINT COMMISSION
by the
INTERNATIONAL LAKE ONTARIO – ST. LAWRENCE RIVER STUDY BOARD

Covering the period
25 March 2005 through 6 October 2005



6 October 2005
Ottawa, Ontario
Buffalo, New York

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Commissioners:

The International Lake Ontario - St. Lawrence River Study Board submits herein its tenth and last Semi-annual Progress Report, covering activities from 25 March 2005 to 6 October 2005.

1. SUMMARY

During the reporting period, the focus of the Study team was on public consultations, refinement and selection of regulation plan options.

The Study teams developed, formulated and analyzed a number of plan options in an effort to achieving long-term objectives in balancing the interests impacted by regulation of the flows and levels within the Lake Ontario – St. Lawrence River system. There were three main plan options advanced and discussed during the reporting period. These were:

- Plan A : Balanced Economics plan
- Plan B : Balance Environmental plan, and
- Plan D: Blended Benefits plan

Extensive consultations took place during the summer to provide briefings and information on the Board's progress in formulating the plan options. Public meetings were held jointly with the Public Interest Advisory Group (PIAG) at 15 locations on both sides of the border. Study members also met with about 30 elected representatives, organizations and agencies and providing specific briefings tailored, to the extent possible, to address local issues and concerns.

Feedback received from the public, as well as numerous other groups and representatives, was carefully reviewed and discussed by the Study Board and, to the extent feasible, taken into consideration in further refining the three options. In addition to the three options presented during the summer consultations, subsequently the Study team developed other options in an effort to improve the overall long-term results and benefits achievable. These are discussed in more detail later in this report.

The Board also addressed a number of transitional issues that would help pave the way in transferring responsibility from the developmental phase (Study

mandate) to the implementation and operational phase (Commission and Control Board responsibility). Among these are:

- Mitigation relating to any of the options presented , if needed;
- Deviations, built into the plan options or discretionary;
- Peaking and Ponding;
- Adaptive Management;
- Information retention, archiving, and transfer to Control Board.

Finally, the Board and associates experienced their busiest seasons, arranging for and participating personally in the public meetings and officials' briefings, providing direction to the technical teams and plan developers, holding face to face meetings and conference calls, and interacting with the Control Board.

The Technical Working Groups (TWG) that supported the Board in conducting the research and studies over the last four years were effectively dissolved, with the exception of the Plan Formulation and Evaluation Group (PFEG) and the Information Management (IM) group; some of the TWG Leads and a few of the past members continued occasional involvement in providing clarifications and advise.

During the reporting period, the Study Board started the drafting of the Final Report, which is now reaching its final stages. The Board is working together with the Commission staff on developing a release strategy.

The Study Board accomplished all its work within budget both on the U.S. and the Canadian side.

2. BOARD ACTIVITIES

The Board held a meeting in Toronto on 7 and 8 April 2005, including a workshop by the Plan Formulation group on the regulation plan options and more specifically on the evaluation and selection of the options developed to that time. The Board addressed a number of tasks remaining to be accomplished (e.g. criteria for the chosen options, mitigation requirement for the various options, institutional arrangements needed, and adaptive management to be implemented) and assigned tasks to the members to help achieve critical timelines.

On the morning of 8 June 2005 the Board met with the Commission during their Executive meeting in Kingston, Ontario and provided a detailed debriefing on the status of the options being developed and the principles on which these options were based. The Board also raised the question of transition and Commission tasked the IJC Secretaries to start plans as soon as possible.

Following the half-day briefing with the Commission, the Board held a meeting on the afternoon of 8 June 2005 in Kingston. Plans and preparations for the upcoming summer public meetings were reviewed; the final package to be presented to the public was discussed. The initial draft of the Final Report was also discussed and timelines were set for its completion. The Board decided that a preliminary copy of the Report will be provided to the Commission about the same time as the Peer Review report in the fall of 2005.

The Board and PIAG worked closely in coordinating and making the presentations at the summer meetings. All of the public meetings were attended by some Board members on each side of the border.

Within the reporting period, Study representatives met and discussed on several occasions with the International Water Level Coalition group the developments and findings to date.

The feedback relating to the plan options presented during the consultations last summer was mixed. There were responses from the municipalities, elected officials, and of course from the public at large. At the public meetings the general tendency appeared to be a willingness to support improvement to the environment as long as there is no adverse impacts to other sectors in the system. Some re-iterated the views which had been expressed by numerous municipalities along the Lake Ontario south shore and upper St. Lawrence River, i.e. direct support to Plan B as it was at the time of the consultations. Subsequent feedback, mainly from south shore elected representatives and municipalities, was received in favor of the status quo (Plan 1958D with deviations) indicating that all of the options would raise the Lake Ontario water levels more than would be under the status quo and were not acceptable.

The Board held a two-day meeting in Alexandria Bay, NY on 24 and 25 August 2005. The plan formulation team presented to the Board and PIAG members the improvements made to the plan options since the public meetings. These improvements were based on comments and issues raised during the summer public meetings, in addition to some refinements made as part of the group's ongoing iterative process.

On 8 and 15 September 2005 the Board held two conference calls dealing with mitigation, adaptive management, criteria, and deviations.

On 20 -21 September 2005 the Board met in Niagara Falls, Ontario at which time it reviewed the latest developments in plan formulation and evaluations. PFEG presented detailed assessment of the options (A,B, and D) with some refinements done after the summer consultations and subsequent to the Alexandria Bay, NY 24-25 August meeting. The Board also reviewed and discussed in detail two recently developed plan options (C and G). The general view was that we should narrow down the plan options to be presented to the Commission on the basis of the principles and the methodologies used in their development. The Board decided to retain the latest version of the options A, B

and D to submit to the Commission. The Board does not plan on further development of options. In addition, at the meeting, the Board continued discussions on other related issues including recommendations on deviations, adaptive management, mitigation and draft orders of approval.

As part of its continuing dialogue, on the afternoon of 21 September, the Board held a meeting with the International St. Lawrence River Board of Control and provided that Board with updates on plan development and the decision on the three options to be advanced for the Commission's consideration. Other transitional issues and the status of the Information Management initiative were discussed.

The Board held its last meeting on 5-6 October 2005 in Montreal. At that meeting, the discussions focused on finalizing recommendations with regard to adaptive management, mitigation and deviations. The Board also discussed potential revisions to the Orders of Approval.

During the reporting period, the Board focused on writing its Final Report. At the 5-6 October meeting, the Board discussed and reached agreement on the report's contents. The Board is also working with the Commission staff on finalizing the report in a professionally edited and formatted version. Time and cost estimates for this work are being reviewed and have been allowed for in the Study schedule and budget. It is estimated at this time that the final report, completed, translated to French, and printed should be ready for public release in February or March 2006.

3. PUBLIC INTEREST ADVISORY GROUP ACTIVITIES

During this reporting period, the Public Interest Advisory Group (PIAG) participated in many meetings to further the work of the Study, starting with the Plan Formulation and Evaluation Group workshop held in April in Toronto, Ontario. The PIAG held a telephone conference call and one meeting of all members prior to the Study Board meeting in Alexandria Bay, NY, in which it also participated. Members also attended the Study Board meeting in Niagara Falls, Ontario, in September.

During this time frame, the PIAG's liaison to the International St. Lawrence River Board of Control (Control Board), Tony McKenna, continued to meet with the Control Board communications committee to discuss the future and aid the Control Board with their public communications processes. Meetings between representatives of the Control Board and the PIAG will continue to focus on the transition from the Study to the Control Board.

The PIAG partnered with the Study Board to arrange the 15 summer public meetings held at various locations around the Lake Ontario - St. Lawrence River basin to get feedback from the public on the candidate plans selected by the

Study Board. PIAG members also attended meetings that the Study Board held with the First Nations groups at Akwesasne, Tyendinaga and Kahnawake.

The PIAG acted as chairpersons overseeing the meetings and as facilitators during the question and answer period. A Study Board member was the main presenter of the program since the candidate plans were a product of the Study Board.

During this period, PIAG members continued to give presentations to interested groups to broaden the knowledge of the Study. PIAG members participated in the Study Board briefings of elected officials on both sides of the border, including a meeting in Albany, NY, with members of the New York State Senate and Assembly, in Toronto at Queen's Park, in Québec City at the National Assembly and in Ottawa on Parliament Hill with MP's, MPP's, MNA's, Senators and staff at each location. Furthermore, the PIAG supported the Study Board in a presentation to the Great Lakes – St. Lawrence River Mayors' Conference in Quebec City.

With the support of communications staff, the PIAG during this time-frame produced two issues of the Ripple newsletter. The first issue was devoted to Frequently Asked Questions raised during the public meetings in the summer of 2004. The second issue was a primer on the proposed candidate plans to be presented during the summer 2005 public meetings.

Lastly, during this period the PIAG had an independent communication and public engagement firm, LURA, review its communications plans and public consultation process. This independent review stated that the PIAG, as a group of volunteers, was doing as much as it could to accomplish the goal of ensuring effective communication between the Study and the affected publics.

4. TECHNICAL WORK GROUP ACTIVITIES

During the reporting period, the activities of the TWG were limited to support to the summer public meetings and some minor verification of previous work in order to clarify impact on plan formulation and evaluations. The Plan Formulation and Evaluation Group (PSEG) continued its intense activity on finalizing plan options and their evaluation, as discussed below. Also, the Information Management (IM) group continued work on finalizing the products to be retained on the Study web site for reference and public access purposes.

Coastal TWG

During the reporting period, activity by this TWG was limited to some participation in the public meetings. For several of the public meetings in

Canada, the representatives of the consultants Baird and Associates (Pete Zuzek) and Pacific International Engineering (Mike Davies) attended the meetings and provided technical explanations where needed. Some field work was also commissioned to Baird and Associates for further verifications of field data that was required for the plan formulation group. This is discussed more under the activities of the plan formulation group.

Commercial Navigation TWG

Leads of the TWG participated in some of the summer public meetings. Also, the consultant Tom Lauga was engaged to perform additional testing and evaluations using the commercial shipping model developed for the group. Results were provided to the plan formulation group to help them assess commercial navigation impacts of the options under consideration. It was concluded that the fine tuning of the options did not impact on the plan selection and Board decisions.

Information Management

The Information Management (IM) TWG, during this reporting period, has focused on populating the Document Management System (DMS), developing an online version of the boardroom and enhancing the web-mapping application.

Document Management

The DMS will be the public accessible repository for post study reference material. This tool provides users the capability to search using a variety of criteria. Some of these include; keyword, document type, author, location and technical working group. The process has consisted of moving content from the FTP site to the publicly accessible Document Management System and compiling the appropriate metadata for all of the study information assets.

The Great Lakes Commission, Environment Canada - Ontario Region, Ontario Ministry of Natural Resources, and Environment Canada – Quebec Region have been providing FTP support to facilitate data sharing within the study. The information that is being held on the FTP site is being migrated into the Information Management System to better catalogue study information holdings for discovery and retrieval.

Distributed Web Mapping Application

The IM TWG continues to improve and enhance the distributed web mapping application. The distributed network includes data nodes from the Province of Ontario – Land Information Office (LIO), serving data for Ontario, and Environment Canada - Quebec Region, serving data for the Quebec and the Great Lakes Commission, serving data for New York State. The application is currently built on the University of Minnesota's Map-server.

“The Boardroom” - Shared Vision Model Linkage

An online web version of the “The Boardroom” is under development and nearing completion. This will be hosted on the LOSLR website and will be available in both official languages. The web version will display key tables, charts and graphs to visualize the results of Plans for ease in comparison.

Plan Formulation and Evaluation

During the reporting period, the group worked on a number of tasks mainly to ensure accuracy of information being used for formulating the plan options and their evaluation and to help the Study finalize its decision. The group worked on refinements to and further developments of options taking the extensive feedback received from the summer public consultations. The following tasks were undertaken:

The Shared Vision Model

The Shared Vision Model (SVM) is complete. All modeling is complete and PFEG has worked to gain stamps of approval from the various technical work groups to verify that the SVM is accurately representing the results of their individual TWG models and studies. All PI's have been signed off for the Hydro power, Municipal and Industrial Water Uses, Commercial Navigation, and Recreational Boating. The Flood and Erosion Prediction System (FEPS) was evaluated by PFEG who worked with the Coastal TWG to correct any problems with FEPS. The Integrated Ecological Response Model (IERM) was reviewed and checked by the individual researchers to ensure their models and studies have been accurately captured by the IERM.

The Board Room was successfully applied by the Study Board in April for selecting candidate plans to take forward to the summer public meetings and in June, August and September Board meetings to assist the Board in discussing plans and making plan choices. Updates to the Board Room have continued primarily to clean it up. A reduced version of the Board Room is being developed into a website.

The Flood and Erosion Prediction Model (FEPS)

The plan formulation group has worked with the coastal group to address a number of issues that have been affecting the results from the FEPS model. In particular PFEG discovered some questionable property elevations for a number of counties. To resolve this, PFEG assisted in carrying out boat surveys to verify property elevation data. The FEPS has been updated with the corrected data. In addition, PFEG uncovered that the 40 year hindcasted wave database being

used by FEPS was, by its happenstance nature, influencing plan results. PFEG worked with the Coastal TWG to develop a statistical wave database that would allow a more accurate and standardized evaluation across plans.

Plan Formulation

Plan Formulators continued to work on improvements to their plans. At the 24-25 August Study Board meeting, PFEG presented updates of the three candidate plans. Of particular note was that the formulator of Plan B has been successful in significantly reducing flood damages on the lower St. Lawrence River created by Plan B. PFEG also introduced to the Study Board a new plan (Plan C) that is a rule-curve based plan. At its meeting on 20-21 September in Niagara Falls, the Board decided not to retain that plan as one of the options to be submitted to the Commission.

Plan Evaluation

In addition to the evaluation of plans with the historic supply sequence, PFEG ran all the candidate plans, along with 1958DD and Plan E, through the full 50,000 year stochastic supplies. This analysis is important for improving the economic evaluation for the plans. This is particularly important for coastal erosion and shore protection maintenance PIs since these have serial dependence and therefore damages can only be delayed but not completely avoided. The best way for assessing plans is to determine which plan delays or postpones damages to a later time. The damages were then discounted to net present value.

PFEG has also spent considerable time in understanding and interpreting the plan results. To this end, PFEG is working on developing a story on each of the plans that gets at the critical issues and nuances, and highlights their key pros and cons. Particular attention is being paid to the coastal analysis and the environmental analysis as these areas tend to have the greatest influence on plan rankings.

National Academy of Science/Royal Society of Canada Review

PFEG has been responding to information requests from the NAS/RSC review. Presentations and responses to inquiries have been prepared.

Other Activities

Report Writing: The group has been working on numerous reports to document processes and methodologies including plan descriptions, finalizing the economics standards document, developing a draft report documenting the decision process, and providing contributions to the final report.

Circle of Influence Workshops: PFEG continued to meet with key individuals and groups who represent a constituency of stakeholders. For example, PFEG has met on a number of occasions with representatives of the International Water Levels Coalition.

Public Meetings: Members of PFEG participated in the series of public meetings held over the summer.

4. COMMUNICATIONS

During the reporting period, the communications team supported the work of the Study Board and the Public Interest Advisory Group with a wide array of initiatives and events, including the following:

- Supervised a review and analysis of public engagement goals and effectiveness;
- Revised the previous strategic communications plan and created an implementation plan that specified in detail the scope and outcomes for the public engagement/communications function;
- Developed and released volumes 10 and 11 of the *Ripple Effects* newsletter with English and French editions;
- Provided media training to PIAG members desiring training;
- Created, in cooperation with the Study Board and the PIAG, a presentation which was used throughout the basin in public consultation meetings and provided surveys online and in hardcopy for feedback and input;
- Organized a seventeen-city presentation and public consultation tour through northern New York, Quebec and Ontario to release candidate regulation plans to the public and elected officials and obtain feedback;
- Created a series of media products including press releases, media advisories, advertisements, speaking notes, media lines, frequently asked questions and fact sheets; to support the public meetings;
- Intensified efforts to cooperate fully with First Nations groups, including several presentations and ongoing communications with groups in the basin; and
- Compiled and analyzed input received as a result of the summer public summer meetings.

6. BUDGETS AND TIMELINE

At its January 2005 meeting, the Board approved a Year-5 budget plan for the US and Canadian sections. These budgets were based on the consideration that

the Study is in its fifth and last year, that the focus would be essentially on development of plan options and on public consultations, with minimal need for any further technical information. The budgets left some flexibility for any technical work that may be needed due to a number of unknowns.

On the Canadian side, the Study activities have been within budget up to the end of the reporting period. However the Board and Commission staff have collaborated to better estimate the total requirements to the end of the Canadian Fiscal Year as well as a number of activities that can be foreseen to continue into the 6th year, i.e. FY 2006-07. Working with the Commission staff, and based on estimates of total year-end expenditures, plans are being made to request the Canadian Treasury Board to approve re-profiling of approximately \$185,000 from Y-5 to Y-6. Some of these funds are expected to support further public consultations that the Commission may choose to hold on the final plan options before deciding on implementation. This amount is reflected in the Canadian funding tables below. As well, a commitment of an estimated \$100,000 (US\$65,000) is shown in the tables below to cover the share of the Canadian section of the Study towards the Independent Review.

On the US side, funding was provided for final activities of the technical work groups, for the PIAG summer meetings and the work of the PFEG. Funds were obligated prior to the end of U.S. FY05 for the continuation of work by PFEG in its refinement of plans for submittal to the IJC in the fall and follow-up IJC activities during the post-Study period. Also, funds were obligated to provide public affairs support through December 2005 and Secretariat support during FY06. The "no year" funding balance remains at \$43,440.

Table 1 presents the breakdown of committed funding for Canadian and U.S. funding in Year 5. Y-5 for the U.S. ends 30 September 2005 and therefore the amounts shown are the expended amounts through 30 September 2005. The Canadian Y-5 extends to the end of the 2005-06 fiscal year and therefore the amounts shown are estimates through the end of the fiscal year.

Tables 2 and 3 show the U.S. and Canadian amounts, respectively, from Y-1 to Y-5 provided in the Plan of Study (POS) document dated September 1999 as approved by the two governments. The Canadian amounts under POS for Y-3 to Y-5 are those amounts subsequently re-profiled with the approval of the Canadian Treasury Board to provide flexibility to cover some unforeseen study requirement. These tables also show the spent (expended) amounts through all Study years. The spent amount for the US go to the end of September 2005. On the Canadian side, at the time of this report, the spent amounts could only be provided as estimates and therefore they reflect estimates to the end of the fiscal year (also refer to notes at the bottom of the tables).

Table 1

	CANADA (\$Canadian)		U.S. (\$US)	
	Budget (25 January 2005)	Committed	Budget (25 January 2005)	Committed
Commission ⁽¹⁾	197,000	197,000	160,000	160,000
Secretariat ⁽¹⁾	320,000	320,000	140,000	178,690
PIAG ⁽¹⁾	415,000	340,000	210,000	135,707
Environment		32,000		13,257
Coastal	120,000	50,000	82,000	38,821
RecBoating	(notional combined amount to be allocated as needed during the year)	0	(notional combined amount to be allocated as needed during the year)	39,009
H & H		0		0
Commercial Navigation ^(*)		5,000		17,771
Water Uses		0		0
Power		0		0
IM ⁽²⁾	116,000	70,000	39,000	0
Plan formulation ^(*)	260,000	200,000	400,000	402,840
Independent review ⁽³⁾	50,000	100,000	60,000	60,000
Re-profile ⁽⁴⁾	120,000	185,000		
Total	1,598,000	1,499,000	1,091,000	1,046,095
Available	1,489,000			44,905

Notes:

⁽¹⁾ Canada: Commission, Secretariat and PIAG - Full budgets shown as "Committed" since for these activities most of the expected expenses are estimates at the time of the report being prepared.

⁽²⁾ U.S. Funds were not provided to the IM Group because no Year 5 scope of work was submitted.

⁽³⁾ Canadian: The approved amount in the January 2005 budget was \$50K Cdn and \$60K US for the independent review. The Canadian amount was later revised to \$100K based on the final estimate cost of the review.

⁽⁴⁾ At the January 2005 budget allocation, the anticipated amount to be re-profiled for the Canadian Y-6 was \$120K. At the time of this report it is intended to request about \$185K to be re-profiled to Y-6.

^(*) Other amounts shown as committed are rounded estimates at the time of the report being prepared

Table 2

U.S. Funding (in U.S.\$)						
Activities	Year 1		Year 2		Year 3	
	POS	Spent	POS	Spent	POS	Spent
CDN-IM	500,000	635,000	0	641,625	0	97,000
Environ.	640,000	276,593	540,000	494,799	575,000	706,571
Rec.Boating	160,000	109,201	180,000	187,037	160,000	215,382
Coastal	770,000	300,000	1,030,000	1,206,079	670,000	496,124
Com. Nav.	49,000	48,157	73,000	0	105,000	63,158
Hydro.	0	0	0	0	0	0
Water Uses	79,000	50,000	79,000	130,000	32,000	50,498
H&H	160,000	31,800	215,000	108,123	185,000	88,377
PIAG	270,000	150,560	270,000	138,642	270,000	168,925
PFEG	50,000	80,000	50,000	150,000	50,000	215,000
Secretariat	200,000	226,902	200,000	296,874	200,000	284,866
IJC	-	13,410	-	7,725	-	6,720
Totals	2,878,000	1,921,623	2,637,000	3,360,904	2,247,000	2,392,621
Re-Profiled	-648,000	-	+730,423	-	+146,331	-
Grand Total	2,230,000	1,921,623	3,367,423	3,360,904	2,393,331	2,392,621

U.S. Funding (in U.S.\$)						
Activities	Year 4		Year 5		Total Years 1-5	
	POS	Spent	POS	Spent	POS	Spent
CDN-IM	0	50,000	0	0	500,000	1,423,625
Environ.	475,000	338,472	220,000	13,257	2,450,000	1,829,692
RecBoating	0	119,961	0	38,475	500,000	670,056
Coastal	0	207,314	0	38,821	2,470,000	2,248,338
Com. Nav.	89,000	43,618	74,000	15,960	390,000	170,893
Hydro.	120,000	0	80,000		200,000	
Water Uses	0	20,000	0		190,000	250,498
H&H	80,000	62,370	75,000		715,000	290,670
PIAG	270,000	195,291	320,000	135,707	1,400,000	789,125
PFEG	50,000	347,546	50,000	402,454	250,000	1,195,000
Secretariat	200,000	290,563	200,000	288,690	1,000,000	1,387,895
IJC	-	0	-	110,000	-	137,855
Totals	1,284,000	1,675,135	1,019,000	1,043,365	10,065,000	10,393,648
Re-Profiled	+391,1353	-	+72,000	-	+691,889	
Grand Total	1,675,135	1,675,135	1,091,000	1,043,365	10,756,889	10,393,648

Table 3

Canadian Funding (in Canadian \$'s)						
Activities	Year 1		Year 2		Year 3	
	(2000/2001 & 2001/02) (*)		(2002/2003)		(2003/2004)	
	POS	Spent	POS	Spent	POS	Spent
CDN-IM	700,000	749,980	0	281,000	175,000	81,921
Environ.	865,000	779,500	955,000	963,245	1,300,000	1,159,188
RecBoating	200,000	206,357	180,000	195,359	140,000	61,771
Coastal	770,000	346,896	1,130,000	710,884	700,000	956,180
Com. Nav.	197,000	55,000	396,000	37,800	390,000	342,981
Hydro.	0	0	0	0	50000	13
Water Uses	116,000	0	124,000	25,956	52,000	71,134
H&H	235,000	302,356	295,000	335,186	500,000	343,955
PIAG	340,000	177,620	340,000	187,597	340,000	280,613
PFEG	50,000	0	50,000	84,733	280,000	232,840
Secretariat	200,000	500,889	200,000	302,541	340,000	329,503
IJC	0	136,706	0	200,000	200000	200,000
Totals	3,673,000	3,255,304	3,670,000	3,324,301	4,467,000	4,060,099
Re-Profiled	-300,000	0	300,000	0	0	0
Grand Total (*)	3,373,000	3,255,304	3,970,000	3,324,301	4,467,000	4,060,099

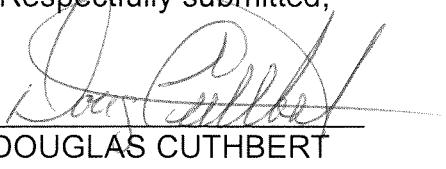
Activities	Year 4		Year 5		Total Y 1-5	
	(2004/2005)		(2005/2006)		POS (*)	Spent
	POS	Spent	POS	Spent (*)		
CDN-IM	143,000	90,000	116,000	70,000	1,134,000	1,202,901
Environ.	825,000	757,837	49,000	32,000	3,994,000	3,659,770
RecBoating	40,000	11,841	25,000	0	585,000	475,328
Coastal	80,000	85,283	25,000	50,000	2,705,000	2,099,243
Com. Nav.	45,000	36,749	25,000	5,000	1,053,000	472,530
Hydro.	22,000	0	20,000	0	92,000	13
Water Uses	15,000	35,851	0	0	307,000	132,941
H&H	110,000	68,115	45,000	0	1,185,000	1,049,612
PIAG	340,000	277,937	415,000	340,000	1,775,000	923,767
PFEG	240,000	294,695	240,000	200,000	860,000	612,268
Secretariat	340,000	206,621	340,000	320,000	1,420,000	1,339,554
Others: 100K for the Independent Review plus 185K planned to re-profile to Y-6				285,000		
IJC	200,000	200,000	200,000	197,000	600,000	736,706
Totals	2,400,000	2,064,929	1,500,000	1,499,000	15,710,000	12,704,633
Re-Profiled	0	0	0	0	0	0
Grand Total (*)	2,400,000	2,064,929	1,500,000	1,499,000	15,710,000	12,704,633

(*) Notes:

(1) Canadian: The figures under the POS give the re-tooled numbers for Y-3 to Y-5 which were approved by the Canadian Treasury Board. These numbers differ from what is in the actual POS document.

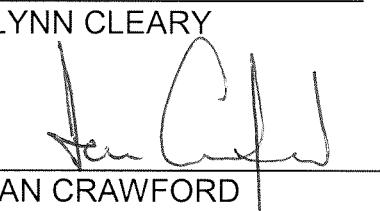
(2) The amounts shown under the Y-5 as "Spent" (Canadian funding) reflect the best estimates to the end-of-year, essentially combination of what is committed, what is expected to be funded in the remainder of the year, and the amount considered for re-profiling to Y-6 (FY 2006-07). The latter is not approved or endorsed at the time of this report but is shown for purposes of giving the total picture accounting for the funds available.

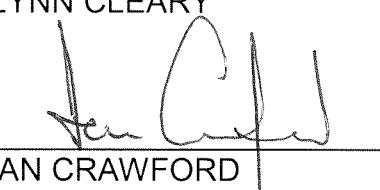
Respectfully submitted,


DOUGLAS CUTHBERT

Canadian Co-Director

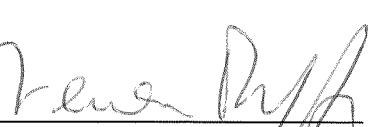

ANDRE CARPENTIER


LYNN CLEARY

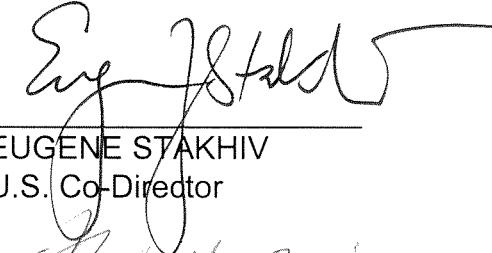

IAN CRAWFORD


HENRY LICKERS


MARCEL LUSSIER


STEVEN RENZETTI


ED ERYUZLU
Canadian General Manager


EUGENE STAKHIV

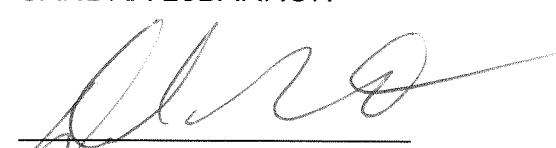
U.S. Co-Director


FRANK QUINN


PETE LOUCKS


FRANK SCIREMAMMANO


SANDRA LeBARRON


DAN BARLETTA


JAMES SNYDER


ANTHONY EBERHARDT
U.S. General Manager

APPENDIX #1

Attendance at Board meetings and Conference Calls

7-8 April 2005 – Toronto, Ontario

Doug Cuthbert
Ian Crawford
Lynn Cleary
André Carpentier
Henry Lickers
Ed Eryuzlu

Eugene Stakhiv
Frank Quinn
Sandra LeBarron
Frank Sciremammano
Pete Loucks
Tony Eberhardt

8 June 2005 – Kingston, Ontario

Doug Cuthbert
Henry Lickers
André Carpentier
Ian Crawford
Ed Eryuzlu

Eugene Stakhiv
Pete Loucks
Dan Barletta
Sandra LeBarron
Tony Eberhardt

24-25 August 2005 – Alexandria Bay, NY

Doug Cuthbert
Steven Renzetti
André Carpentier
Lynn Cleary
Marcel Lussier
Ed Eryuzlu

Eugene Stakhiv
Frank Sciremammano
Al Schiavone for Sandra LeBarron
Dan Barletta
Frank Quinn
Pete Loucks
Tony Eberhardt

8 September 2005 – Conference Call

Doug Cuthbert
Steven Renzetti
André Carpentier
Lynn Cleary
Ed Eryuzlu

Eugene Stakhiv
Frank Sciremammano
Sandra LeBarron
Dan Barletta
Pete Loucks
Frank Quinn
Tony Eberhardt

15 September 2005 – Conference Call

Doug Cuthbert
Steven Renzetti
André Carpentier
Lynn Cleary
Ian Crawford
Ed Eryuzlu

Eugene Stakhiv
Frank Sciremammano
Sandra LeBarron
Dan Barletta
Pete Loucks
Frank Quinn
Tony Eberhardt

20-21 September 2005 – Niagara Falls, Ontario

Doug Cuthbert
Steven Renzetti
André Carpentier
Ian Crawford (second day)
Ed Eryuzlu

Eugene Stakhiv
Frank Sciremammano (second day)
Sandra LeBarron
Dan Barletta
Pete Loucks
Frank Quinn
Tony Eberhardt

5-6 October 2005 – Montreal, Quebec

Doug Cuthbert
Marcel Lussier
André Carpentier
Paul King-Fisher for Ian Crawford

Eugene Stakhiv
Frank Sciremammano
Sandra LeBarron
Dan Barletta
Pete Loucks
Frank Quinn
Tony Eberhardt