



NEWS UPDATE

INFORMATION FOR NISICHAWAYASIHK CREE NATION MEMBERS AUGUST 2005

This Fall Targeted for Completion of the Wuskwatim Project Development Agreement

Answers to questions NCN Members are asking about the PDA



"Community consultation will be part of the PDA review process that will take place once negotiations are complete."

WHEN WILL WE GET TO VOTE ABOUT WUSKWATIM?

NCN and Hydro are still negotiating a Project Development Agreement (PDA) about the proposed Wuskwatim project. The PDA is a very complex agreement, and negotiations are taking longer than expected. When the PDA is ready, NCN voters will get a chance to vote. This may be in late 2005.

HAVE GOVERNMENTS APPROVED THE PROJECT?

Approvals are needed from both the federal and provincial governments. Manitoba's Clean Environment Commission (CEC) held public hearings into the proposed project in 2004. It issued a report and recommended that the project should be approved. Neither government has issued approvals yet.

We believe the federal government will publish its Comprehensive Study Report (CSR), a detailed report about the project soon. The public will be invited to comment on it. Then, Canada will make its final decisions.

WILL THE GOVERNMENTS APPROVE THE PROJECT BEFORE THE VOTE?

We don't know. We can't control the timing of the government approvals. All we can do is plan for the PDA vote. Once the PDA is ready, NCN voters will need at least a couple months to become familiar with it before the vote. Regardless of the timing of government approvals, NCN voters will have the final say.

IF THE PDA IS SO COMPLEX, WON'T WE NEED MORE TIME TO STUDY IT?

The basic principles of the project haven't changed over the last few years. If you read the Summary of Understandings (SOU), you have a very good idea of what the PDA will say. The PDA elaborates on these basic principles, using detailed legal language.

WILL NCN STILL BE A PARTNER IN THE PROJECT?

Yes, if it wants to be. NCN can still own up to 33 percent of the project. Hydro would own the rest. NCN would have to invest about \$1 million when construction starts (maybe late 2005). Until construction finishes (maybe 2011), NCN could still decide not to become a partner in the Generation Project, in which case it would get the \$1 million back.

WHAT IS TASKINIGAHP POWER CORPORATION (TPC)?

This is the company that NCN has formed to participate in the project, if it goes ahead. Though there are legal reasons for using things like corporations and partnerships to do business, for all practical purposes TPC is NCN.

HAS THE ESTIMATED PRICE OF THE PROJECT GONE UP?

Yes. Things like the price of steel keep going up. Between now and the day construction starts, prices might go up a bit more. Together, the generation and transmission projects might cost roughly \$1 billion. NCN and Hydro still feel that the project makes good economic sense.



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Construction of the \$8.1 million Atoskiwin Training & Employment Centre in Nelson House is continuing and expected to be completed this fall. ATEC has been training people for jobs on the Wuskwatim project since 2003.

ARE FIELD STUDIES STILL GOING ON?

Yes. Scientists and specialists, together with NCN Members, are still studying things like caribou and heritage resources in the project area. This will help build a knowledge base about the area.

There will be extensive monitoring during and after construction. There will likely be some jobs for NCN members doing this monitoring.

IS HYDRO GOING TO BUILD CONAWAPA?

Maybe some day. Hydro is doing field studies in the Conawapa area. Manitoba and Ontario are still talking about the possibility of a major power sale. If they ever reach agreement, Conawapa might be part of the picture. Major decisions about new transmission lines would also have to be made. Before construction could start, Clean Environment Commission public hearings would have to be held. If the Wuskwatim hearings were any indication, the Conawapa hearing process could take a year or more. This means that, even if Hydro decides to build Conawapa, construction could not start in the near future.

WILL MEMBERS LIVING AT SOUTH INDIAN LAKE (SIL) GET TO VOTE ON THE PDA?

All adult NCN Members, wherever they live, will be eligible to vote.

WHAT HAPPENS IF NCN VOTES AGAINST THE PROJECT?

The project will not proceed.

HOW CAN WE TRUST HYDRO?

Because of past Hydro projects like the Churchill River Diversion (CRD), some NCN Members don't trust Hydro.

The main thing to remember is that Wuskwatim is not the CRD. The CRD was a giant project that had huge environmental effects over a large area of land.

Wuskwatim is small, as hydro projects go (only about 200 MW, as compared with about 1,250 MW for Conawapa). Wuskwatim will flood less than one half of a square kilometre of land. When CRD was built, NCN didn't have its own engineers or experts to analyze Hydro's predictions. This time, NCN has its own engineers and financial advisors, who double-check all of Hydro's predictions. In the end, those NCN members who still oppose the project, can vote against it.

WHERE CAN I GET MORE INFORMATION?

If you have Internet access, check NCN's website (www.ncncree.com). If you want copies of documents like the CEC report, or the summary of the CEC report, drop into the Future Development Office. When the PDA is ready, copies and summaries will also be available at this office.

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