

A Message From Chief Jerry Primrose



I am pleased to provide you with a copy of our latest newsletter related to the Wuskwatim project. This edition highlights information about Environmental Impact Statements for the project which were recently filed with Manitoba Conservation for review by the federal and provincial governments.

The Environmental Impact Statements are detailed reports, one for the proposed Wuskwatim Generation Project and one for the proposed Wuskwatim Transmission Project. The Generation project report was jointly filed by Manitoba Hydro and NCN.

Both reports conclude that no significant adverse environmental effects are expected to occur. Important factors in reaching this conclusion include careful project design to minimize flooding, an operating plan that reduces annual water level fluctuations on Wuskwatim Lake, careful routing of transmission lines and access roads to avoid environmentally and culturally sensitive sites, and mitigation measures to reduce or eliminate adverse effects.

The filing of the EIS represents a significant milestone for the Nisichawayasihk Cree Nation in moving the project forward because the Wuskwatim project represents an important opportunity to help assure a prosperous and sustainable future for Nisichawayasihk Cree Nation if it is done right. But, we're not prepared to unnecessarily sacrifice our lands and waters to do that, so the environmental impact assessment process a critical step for us in proceeding.

We've been an active participant with Manitoba Hydro since 1997 in looking at the big picture for the Wuskwatim project to assure the project design delivers the greatest possible benefits with the least possible impact to our lands and waters.

I encourage you to read this newsletter and if you have any questions, please contact our Future Development Office for answers.

A handwritten signature in black ink, reading "Jerry Primrose", written over a horizontal line.

Chief Jerry Primrose

A Message From Councillor William Elvis Thomas



Future Development Portfolio Holder

As NCN Council's Portfolio Holder for Future Development, I am happy to have reached another important milestone for the Wuskwatim project with the filing of the Environmental Impact Statements.

The goal of the Future Development Team is to keep all NCN members fully informed about the Wuskwatim project as it moves ahead, but also to make sure the concerns of the community are reflected in the process.

NCN has been fully involved in the environmental impact assessment process including: selecting the assessment team, participating in field studies, and contributing our local and Traditional Knowledge to the process.

NCN has also consulted with our people on several occasions to share the findings and to obtain community feedback that has been incorporated into the process.

With completion of this phase, we're satisfied that the environmental impact statements submitted to Manitoba Conservation address our concerns and protect our interests.

The next step involves government review and approval, including public hearings.

Reaching this milestone now allows us to focus on negotiating a Project Development Agreement with Manitoba Hydro that will be the next step in determining if we will proceed as a partner on the project. Approval of the Project Development Agreement will be required in a secret ballot vote via a referendum by our members before the project goes forward.

Once you've had a chance to review this newsletter I look forward to hearing from you if you have any comments or questions.

A handwritten signature in black ink, reading "Wm Elvis Thomas", written over a horizontal line.

Councillor William Elvis Thomas

Environmental Impact Statement

NEWS UPDATE May 2003

INFORMATION FOR NISICHAWAYASIIHK CREE NATION MEMBERS

NCN And Hydro File Environmental Impact Statements (EIS)

NCN and Manitoba Hydro have jointly filed an Environmental Impact Statement (EIS) for the proposed Wuskwatim Generation Project with Manitoba Conservation for federal and provincial review. Manitoba Hydro has also filed an EIS for the proposed Wuskwatim Transmission Project. These are now public documents. They deal with the environmental effects of Wuskwatim.

At the same time, Hydro has filed a submission to Manitoba's Clean Environment Commission (CEC) about the need for and alternatives to the Wuskwatim project. This is also a public document.

The proposed Wuskwatim generating station will be in the Nelson House Resource Management Area. In September 2001, NCN and Hydro signed an Agreement in Principle (AIP) about Wuskwatim. The AIP was approved by a large majority of NCN members in a secret ballot vote. The AIP said that the parties agreed in principle that NCN could be a partner (co-owner) in the generating station. Over the long-term, this could be a very positive financial opportunity for NCN. NCN and Hydro are continuing to discuss the details of the proposed partnership.

For the last several years, NCN and Hydro have been doing various studies related to Wuskwatim - everything from tagging fish to analysing job opportunities.

NCN and Hydro have developed a Public Involvement Plan (PIP) - a process of providing information to many groups about Wuskwatim, and obtaining suggestions from those groups. The Public Involvement process has included NCN, First Nations, environmental groups, and others who may be interested in Wuskwatim and it will



continue in the months ahead. The filing of the Generation EIS, the Transmission EIS, and the "Needs and Alternatives" submission is a middle step in the process of making Wuskwatim possible. There will be public hearings, likely in September 2003. If the project goes ahead, construction will likely take place from 2004-2009.

Q: WHAT IS AN EIS?

A: Under provincial and federal environmental laws, before a project like Wuskwatim can be built, both governments must approve it. Public hearings are often held. Before the hearings, NCN and Hydro must file a detailed report about how the proposed project would affect the environment and people. This report is the EIS.

Q: NOW THAT THE EIS IS FILED, DOES THIS MEAN THAT WUSKWATIM IS A "DONE DEAL"?

A: No. Filing the EIS is just a middle step in the process. Before Wuskwatim can be



built, the two governments must still approve the project. Also, NCN and Hydro are still negotiating a Project Development Agreement (PDA). NCN voters will have the opportunity to vote on the PDA in a secret ballot vote, maybe in the fall of 2003. Construction can't start until late December 2003, at the very earliest.

Q: WHAT'S IN THE EIS?

A: The entire EIS is thousands of pages long. It contains a large amount of detail about the existing environment in the Wuskwatim area, about the many field studies that have been done, and about how the project will affect the environment.

Q: WILL THE NEW DAM CAUSE A LOT OF FLOODING?

A: Wuskwatim will be a relatively small dam. It will only generate about 200 MW of power. This is much smaller than dams on the Nelson River like Limestone. It will flood less than one half square kilometre between Wuskwatim Falls and Taskinigup Falls. It will have no effect at all on Footprint or Threepoint Lakes.

Q: HOW WILL THE PROJECT AFFECT WUSKWATIM LAKE?

A: Today, the water level of the lake fluctuates quite a bit from season to season. If the new dam is built, the water level will change less from season to season although it may change slightly more within the day. It will stay at about 234 metres above sea level. As with every lake, the wind and waves will still have a major effect on Wuskwatim Lake. Just downstream of the dam water levels

will vary more than before, by Opegano Lake this variation will be much less.

Q: WHAT ABOUT MERCURY IN WUSKWATIM LAKE?

A: This issue has been studied carefully. When the Churchill River Diversion (CRD)

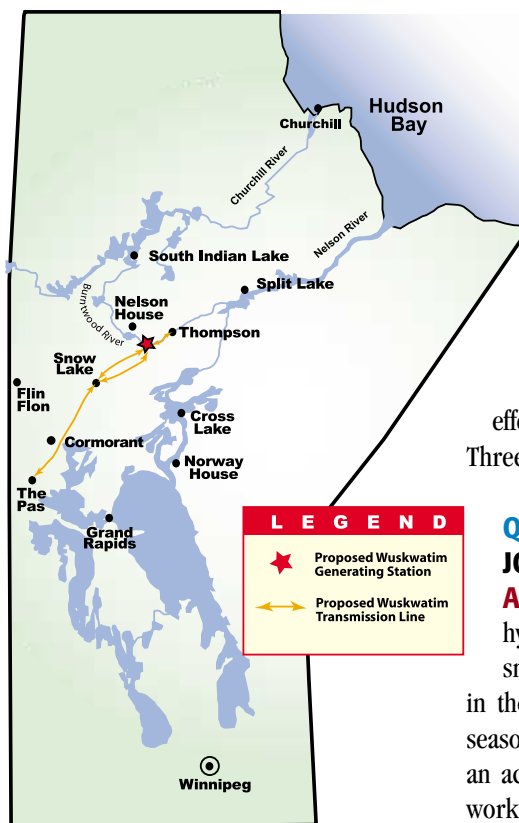
Mercury levels in pickerel and jackfish in Wuskwatim Lake may temporarily rise somewhat but are expected to be similar to levels elsewhere in the area. Mercury levels will be monitored carefully. Over time, even the small increases in mercury levels should go down. The new project will have no effect at all on mercury levels in fish in Footprint and Threepoint Lakes.

Q: WHAT ELSE WILL HAPPEN TO FISH IN WUSKWATIM LAKE?

A: The new project will have a small effect on fish. It will probably have a positive effect on pickerel and jackfish, and a small positive effect on whitefish and tulibee. The project will have no effect at all on fish in Footprint and Threepoint Lakes.

Q: WILL NCN MEMBERS GET JOBS BUILDING THE PROJECT?

A: Yes. This is a priority for NCN. As hydro projects go, this is a relatively small project. There will be more jobs in the summer season than in the winter season. At first, there will be jobs building an access road to the site, and building a work camp. Later, there will be more jobs building the generating station itself. During the summer season of the busiest year, there might be roughly 100 NCN members working on the project. There will also be jobs for other northern-Aboriginal people, and some jobs for people from southern Manitoba. Finally, there will be a smaller number of jobs during



was built, it made mercury levels in Wuskwatim Lake fish go up. The levels slowly decreased. Today, they are back to about where they were before CRD. The new project will increase mercury levels a bit in Wuskwatim Lake over the short term, but not nearly as much as CRD did.

the winter season, building the new transmission lines.

Q: IS NCN STILL GOING TO OWN PART OF THE PROJECT?

A: NCN and Hydro have agreed in principle that NCN can own up to 33% of the generating station. They are still discussing the details. NCN will likely have to put up some money of its own, and borrow some money. Once the project starts producing power (2009 at the earliest), NCN might get some profit right away, and then more profit as the loan is paid off. In the early years, the profit might be roughly similar to the amount of money NCN now gets to spend every year through its trust. Over the long term, NCN might receive tens of millions of dollars per year. Once the details are agreed, they will be put in the PDA, and NCN members will get to vote on the PDA by secret ballot.

Q: WHEN WILL THEY BUILD THE PROJECT?

A: The earliest that building could start would be late December 2003. It will take about six years to build. The earliest that it could start producing power would be 2009.

Q: CAN I SEE THE EIS?

A: Full copies of the EIS are stored at the Future Development Office and at the Band Office. Any NCN member can view them during normal office hours. There is also a short executive summary of the EIS. You can pick up a copy for yourself at the Future Development Office. NCN members have translated the summary into Cree, and there

will be presentations of the Cree version for NCN members. An electronic version of the summary is also available on the website at www.ncncree.com.

Q: WHAT HAPPENS TO THE EIS?

A: The regulators (federal and provincial government officials) will now review it. They may have questions for NCN and Hydro. The Clean Environment Commission (CEC) will hold public hearings, maybe in

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September 2003, and the public can comment on the EIS at the hearings. Some groups may want to be intervenors at these hearings. That means that they are active participants, and have the right to make comments and ask questions. Winnipeg-based environmental groups are often intervenors at CEC hearings.

After the hearings, the CEC will submit a report to the Manitoba Department of Conservation. The report may recommend that the government allow Wuskwatim to be built, subject to the monitoring conditions proposed in the EIS.

The governments will then decide whether to give NCN and Hydro permission to build the project.

Q: WILL THEY BUILD NEW TRANSMISSION LINES TO WUSKWATIM?

A: Yes. The proposal is to build new lines to connect to the existing power grid. A new line will run northeast from the Wuskwatim site to Thompson. New lines will run south from Wuskwatim to Snow Lake and down to The Pas. There are actually two EISs - one for the Generation Project, and one for the Transmission Project. The two EISs will be considered together at the CEC hearings. The executive summary, which is available at the Future Development Office, summarizes both EISs.

Q: WHAT IS THE “NEEDS AND ALTERNATIVES” DOCUMENT?

A: In addition to the public hearing about the environmental effects of Wuskwatim, the Manitoba government will also review the need for and alternatives to Wuskwatim. The government wants to know if this project is needed, and if there might be a better way to generate this power (maybe through wind or solar power). Hydro has prepared answers to these questions and filed them in a separate document.

Q: DOES MANITOBA NEED THE WUSKWATIM PROJECT?

A: Manitoba Hydro estimates that Manitoba will probably have enough power for its own needs until about 2020. After that, it will need at least one new source of power. If we have new sources of power before 2020, we can sell the extra power to places

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like Minnesota, for a reasonable profit. Hydro can use this profit to help keep electricity rates in Manitoba from rising.

Q: WHAT ARE THE ALTERNATIVES TO WUSKWATIM?

A: Hydro can build other hydro generating stations, such as Gull-Keeyask and/or Conawapa. Both would be bigger, more expensive projects than Wuskwatim that Hydro may build some day. Notigi could also be built. However, for now, the Wuskwatim project appears to make the most sense. Hydro can also generate power by burning natural gas or coal, or by building wind turbines. Hydro just started a small project to test the wind in various parts of the province, to see where the best locations for wind turbines might be. However, for now, it looks like Wuskwatim would be the most efficient way to generate new power.

Q: WHAT WILL HAPPEN TO THIS "NEEDS AND ALTERNATIVES" REVIEW?

A: The regulators (government officials) will

review Hydro's report, and may have some questions for Hydro. There will then be public hearings before a CEC panel. The CEC will write a report to the government. In the end, the government will decide if Wuskwatim is needed, and if it is the best alternative for generating more power.

Q: WHY SHOULD NCN CARE ABOUT THIS "NEEDS AND ALTERNATIVES" REVIEW?

A: If NCN is going to be a partner with Hydro in the Wuskwatim project, NCN will want Wuskwatim to be built on schedule, and will want it to be as profitable as possible. Also, as citizens of Manitoba, NCN members will be interested in the future of Manitoba's power system.

Q: HOW CAN NCN TRUST HYDRO?

A: NCN isn't accepting anything without checking it. NCN has its own engineers, lawyers and consultants, who answer to NCN, not to Hydro. NCN won't make any

agreements that aren't in NCN's own best interests. In the end, the people of NCN will have the final say, through a secret ballot vote on the PDA.

Q: I HEAR NCN HAS A NEW WEBSITE?

A: Yes. It can be found at www.ncncree.com. It contains information about Wuskwatim and NCN in general. Feel free to check it out!

Q: WHERE ELSE CAN I GET MORE INFORMATION?

A: Again, the EIS executive summary is available at the Future Development Office or on our website. There is also information available about the "Needs and Alternatives" issue. Also, NCN community consultants are now preparing information about the EIS in Cree. Eventually, information will also be printed in Cree syllabics. Check with the Future Development Office during the next few months.

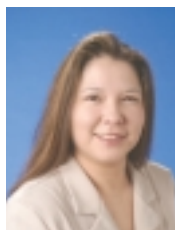
NCN CHIEF AND COUNCIL



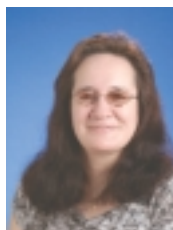
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