



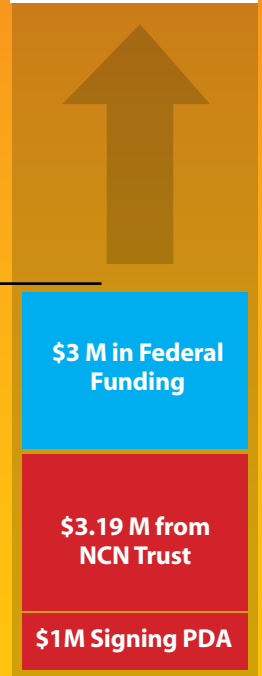
WUSKWATIM

IMPLEMENTATION

NEWS

July 2009

NCN Target for 33 percent Ownership of Wuskwatim



TOTAL \$7.19 Million committed to Wuskwatim Equity

"This federal money gives support and momentum at a critical time in our efforts to secure the financial resources needed to own a share of the Wuskwatim project."

– Chief Jim Moore

NCN Secures \$3 Million in Federal Funding Towards Equity Position in Wuskwatim Project

NCN's efforts to assemble the required equity for 33 percent ownership of the Wuskwatim hydroelectric project has resulted in \$3 million in federal government funding through Indian Affairs and Northern Development Canada.



Councillor and WPLP board member Marcel Moody

To be eligible to participate, NCN had to match the federal contribution with \$3.19 million funding that had already been set aside for Wuskwatim equity within the Nisichawayasihk Trust.

With this new federal commitment, NCN now has \$7.19 million committed for its equity position, which includes the \$1 million NCN paid on signing the PDA.

"This progress is very encouraging, and we will continue to work towards having all of the \$35 million in funds necessary for the 33 percent ownership opportunity we have in the project by the time the first generator is turned on," NCN Councillor and WPLP board member Marcel Moody said.

"This federal money has been very much appreciated. It gives support and momentum at a critical time in our efforts to secure the financial resources needed to own a share of the Wuskwatim project," said Chief Jim Moore. "Raising the full amount needed is still a challenge, and, with construction speeding forward, we only have two years left to do it but we have the will to make this work. Ultimately, it's an investment towards our long-term goal of independence, prosperity and the ability to provide a standard of living for our Citizens most other Canadians already enjoy."



"We've drawn up a plan for the PDA review process and now with the funding in place we are underway. We expect the process will take about 11 months to complete."

PDA Review is Underway

A review of the Wuskwatim Project Development Agreement is now underway following funding confirmation from Manitoba Hydro.

The review process may result in a supplementary agreement between NCN and Manitoba Hydro that will help ensure NCN's potential investment is still viable.

"We've drawn up a plan for the process and now with the funding in place we are underway. We expect the process will take about 11 months to complete," Chief Jim Moore said.

"We intend to keep NCN Citizens informed and involved throughout the process with newsletters, meet and greet events and workshops."

The review has been prompted by several factors. The Wuskwatim PDA signed in 2006 was the first of its kind negotiated by any jurisdiction in North America with a First Nation. Since then, the Joint Keeyask Development Agreement has been negotiated which may contain benefits or provisions that were not included in the Wuskwatim agreement.

The economic climate has also taken wild swings that could affect the viability of the project as an investment for NCN.

"Given the extreme economic volatility, we want to ensure that the PDA has enough flexibility so NCN receives the benefits promised in the existing document," Chief Moore said.



Chief Moore

In late 2007, the overheated global economy had driven up commodity prices and created labour shortages which increased the cost of the project. Also, the value of the Canadian dollar had risen to above par in relation to the American dollar which, if sustained, would have affected the profitability of power exports.

Now the global economy is in recession and commodity prices have significantly declined. These changes are being assessed to determine what impact they will have on NCN's investment in the Wuskwatim project. For example, lower interest rates help to offset the rising cost of construction, but lower commodity prices for oil could negatively affect the price that can be obtained for the power produced by Wuskwatim.

Public Consultation and Information Will be Part of the PDA Review

The PDA review, now underway, will include opportunities for NCN Citizens to participate, provide input to the process, ask questions and get information. Community and small-group meetings and information materials are being planned and meetings will be held in the fall.



Worker and Family-life Survey Will Measure Impact of Wuskwatim

The Wuskwatim Power Limited Partnership is conducting a worker and family-life survey as part of the Wuskwatim socio-economic monitoring program. This survey was included as a monitoring measure in the Wuskwatim Generation Project Environmental Assessment.



(Top L to R) Leona Linklater, Monica Linklater, Donna Moore-Linklater, (bottom) Conrad Moore

Four NCN Citizens, Conrad Moore, Donna Moore-Linklater, Monica Linklater and Leona Linklater, have been hired and trained as survey consultants to conduct the survey through personal interviews.

It is the first worker and family social impact survey undertaken since the project started in 2006.

“Chief and Council urge anyone contacted to be part of the survey to participate and cooperate. It’s only by having as much information as possible that we can understand the impacts on families and the community and identify what measures we need to take to make improvements.” Chief Jim Moore said.

Workers and Families Surveyed

The survey, which is nearly complete, is being conducted among NCN Citizens and their families in Nelson House who are current or former workers on the Wuskwatim project. It is designed to help the project’s partners understand the experience of workers at the construction camp and assess the camp’s cultural and support programs.

Parts of the survey are being conducted at the Wuskwatim site with other parts in Nelson House involving both workers and their spouses or partners.

Information from the survey will be used to identify positive and negative impacts and to refine and improve programming.

Future follow-up surveys may be conducted while the Wuskwatim project is under construction.

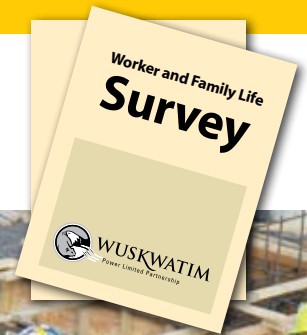
The survey uses a representative sample of the 300 NCN Citizens who have worked on the project. To achieve this, 73 past and current workers on the Wuskwatim project, plus spouses or other family members for a total of 146 persons, will be interviewed.

To comply with privacy laws, pre-screening has been undertaken to identify and obtain permission from potential survey candidates who were identified from their Wuskwatim employment history. From these, the random sample of interviewees has been selected.

A Wide-range of Questions Cover Many Aspects of the Wuskwatim Experience

About 40 questions have been developed to find out about:

- Background of the worker, the worker’s family and housing situation
- Job information such as type of work, length of employment, how hired and previous work experience
- Training experience including job and life-skills training
- Work and camp life including work schedule, interpersonal relationships with colleagues and experience living in camp or elsewhere
- Cross-cultural training experience
- Satisfaction with work



- Experience with unions
- Effects on the family
- Involvement with traditional activities
- Effects of the project on the community including migration
- Impression of Wuskwatim project before and after construction began
- Family education and income.

Participant Data in Survey will be Strictly Confidential

The information will be kept completely confidential, and be anonymously combined with data from others who have been interviewed. The results will be shared in the next newsletter and at community meetings this fall.

Your Input is Important: Deadline July 31

For those who have not yet completed the survey, or for NCN project workers who have not been selected but want to be part of the survey, contact Mark Linklater at the Wuskwatim Implementation Office at (204) 484-2414 no later than July 31.



As many NCN Citizens know, they must now be registered with and apply for jobs on the Wuskwatim project through the Province of Manitoba's provincial Job Referral Service (JRS). With many direct negotiated contracts now concluded, the JRS is the main channel for applying for Wuskwatim work.

Improvements Sought for Provincial Job Referral Service

As many NCN Citizens know, they must now be registered with and apply for jobs on the Wuskwatim project through the Province of Manitoba's provincial Job Referral Service (JRS). This is a change from earlier phases of the project where most NCN Citizens could obtain employment through NCN's direct-negotiated contracts without going through the provincial employment service. With many direct-negotiated contracts now concluded, the JRS is the main channel for applying for Wuskwatim work.

Service. If applicants do not provide frequent follow-ups with the JRS, their applications can become inactive.

"In the December 2008 edition of the Wuskwatim Implementation newsletter, we emphasized the importance of registering for jobs and maintaining ongoing contact with the JRS. The situation has not changed since then, so applicants need to maintain contact with the JRS," said Chief Jim Moore.

Nelson House Residents can Register at ATEC for the Job Referral Service

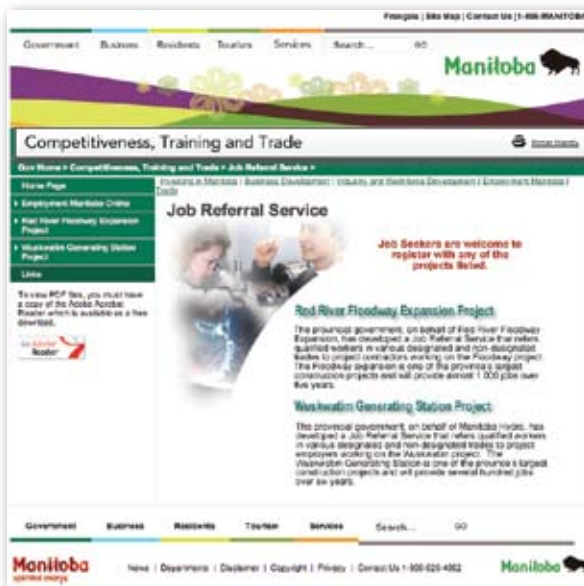
Residents of Nelson House can register with the JRS through ATEC. This information is sent to the Job Referral Service office in Thompson, where it is entered into the provincial database.

Once ATEC sends information to the JRS office, any further contact is directly between applicants and the Job Referral

Chief and Council Are Working to Influence Improvements to the System

There have been concerns raised by NCN Citizens about the Job Referral Service system and how it is working.

Chief and Council take these concerns seriously and are treating them as a high priority. They are working with all parties to encourage quick improvements.



Manitoba's Job Referral Service website is a resource for information and registration (www.gov.mb.ca/jrs)

Taskinigahp Trust Approves First Budget and Makes over \$925,000 Available for the CAP-CIP Process

The Taskinigahp Trust approved its first budget since the trust was established in 2006, showing almost \$1.23 million in revenue consisting of \$1.03 million in Taskinigahp funds and \$198,000 from the Wuskwatim Transmission Development Fund.

Approved Funds Flow to Justice, Resource and Land Use and Social Development

Approved funds through CAP-CIP were distributed in three areas: Justice, Resource and Land Use, and Social Development. Under Justice, almost \$342,000 (28 percent) was allocated to NCN Policing Services. In Resource and Land Use, the Country Foods program received just over \$236,000, the Fisherman's Association received almost \$187,500 and the Trappers Association received \$150,000. Under Social Development, Parks and Recreation programming received close to \$10,000.

NCN holds a single CAP-CIP process each year to allocate funds available from both the Nisichawayasihk and Taskinigahp trusts held by the community.

Funding for Community Programs Increased by 33 Percent

"The availability of Taskinigahp Trust money for the first time this year for community program funding through CAP-CIP is very significant," Wuskwatim portfolio holder and NCN Councillor Marcel Moody said. "It increases the level of community program funding by almost 33 percent over what would be available if we were relying on the Nisichawayasihk Trust income alone."

The Wuskwatim Project Development Agreement created the Taskinigahp Trust, which currently holds about \$5.6 million in assets made up of adverse effects compensation monies the First Nation agreed to when it signed the Wuskwatim Project Development Agreement. The trust will be the repository for profits from the Wuskwatim Generation Project once it is complete and operating.

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2009 Taskinigahp Trust Distributions (Total: \$925,132)



2009 Taskinigahp Trust Expenses (Total: \$303,600)





Safety Trail #3 Removed to Protect Woodland Caribou

To ensure protection for Woodland caribou, Safety Trail #3 (the tractor trail going from Nelson House to Wabowden) was decommissioned March 2009. An amendment to the Adverse Effects Agreement has been made and Chief and Council encourage all NCN Citizens to abide by this change.

Three Taskinigahp Trust Planning Meetings Held

When it was set up in 2006, the Taskinigahp Trust required that three planning meetings be held before the third anniversary of the signing of the PDA on June 26, 2009. The purpose for the meetings was to help develop the first five-year plan for use of the Trust's revenue. In compliance with the PDA, the first community meeting took place May 12, the second on May 25 and the third on June 25.

The meetings will help determine longer-term social, economic and community development priorities and initiatives for use of Trust funds for inclusion in the multi-year plan.

The meetings presented information and provided opportunities for NCN Citizens to put forward ideas that will contribute to the plan.

Once in place, the plan will be reviewed and updated every three years to ensure it remains current and continues to effectively deliver programs to the community.

Questionnaire Circulated

Two post-secondary students have been hired to interview NCN Citizens and managers of NCN organizations who were unable to attend the meetings to ensure their ideas are included. As well, a Taskinigahp Trust Multi-Year Plan and Governance Questionnaire has been distributed and the responses recorded and assessed in a database created to support the process.



NCN Obtains New Direct Negotiated Contracts and is Pursuing Others

One benefit of the Wuskwatim PDA has been NCN's ability to obtain Direct Negotiated Contracts (DNCs) outside of the regular tendering process for parts of project development and operational work. Phase I created several opportunities including road construction and camp operations contracts through joint venture partnerships.

With the completion of Phase I activities, many of the initial contracts were complete and NCN has been in discussion with Manitoba Hydro to identify new opportunities. Those discussions have already produced results:

- Nisichawayasihk Construction Limited Partnership (NCLP) recently obtained a \$1.2 million contract for sand hauling for the project. The contract began April 7. An access-road maintenance contract is also in place for the duration of construction.
- NCLP has also secured a contract to shelter a boat landing area that is susceptible to wave action.
- The General Civil Contractor (GCC), O'Connell-Neilson-EBC Partnership (O-N-E), has been using Meetah Building Supplies to supply lumber for its operations.
- NCN is also seeking to secure a courier service contract, to be set up by the end of the project. The GCC is currently providing its own courier services.
- A contract to provide waste disposal services for the entire site throughout construction and a potential site reclamation contract once construction is completed is currently under discussion.
- NCN's Development Corporation is preparing a proposal to provide laundry services as a subcontract to Sodexo under the Catering, Security and Services contract. This would be operated as a new joint venture between the Development Corporation and Northern Laundry.

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NCN Creates Company to Undertake Wuskwatim Monitoring

As reported in the December 2008 edition of Wuskwatim Update NCN has created its own company to provide environmental and social monitoring services for the Wuskwatim project. The company, called Aski'otutoskeo Ltd., meaning land keeper, will be headed by Mark Linklater.

Negotiations with Manitoba Hydro continue toward finalizing the monitoring contract.



Mark Linklater to head NCN Wuskwatim Monitoring Company.



Looking for a Wuskwatim Job?

We can help...

Contact Fred Prince or Aaron Hart at the Atoskiwin Training and Employment Centre of Excellence (ATEC)

PH: (204) 484-2886



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General Civil Contractor on Site – First Concrete Pour Takes Place May 15

Manitoba Hydro awarded the General Civil Contract for Wuskwatim late last year to the O'Connell-Neilson-EBC Partnership (O-N-E). The General Civil Work at Wuskwatim includes building the powerhouse and spillway, developing the earth dams and dykes, rock excavation and maintenance of roads and cofferdams. A key feature of the contract is a schedule that advances the in-service date of the generating station from 2012 to late-2011. The contractor was on site in November 2008 and started the process of preparing its own work area and undertaking site preparation for pouring concrete for the main structures of the dam and power plant.



First concrete pour for Wuskwatim's above-ground structures. This phase of the project will provide good opportunities for general labour and skilled labourers.

Next Phase will Provide Job Opportunities

On May 15 the contractor poured the first concrete for the above-ground structures. This next phase of the project will provide good opportunities for general labour and skilled labourers. Although the percentage of Aboriginal and NCN Citizens is expected to be lower than in Phase 1 of the project, the actual number of jobs available to NCN and other First Nations will be higher.



NCN Chief and Council on hand for the ceremonial commemoration of Wuskwatim's first concrete pour.

For more information contact:



Nisichawayasihk Cree Nation

Wuskwatim Implementation Office

Ensuring the Future of Our Children & Our Children's Children...



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