



September 29 2015

Northern Ontario First Nations Environment Conference

Background

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- Urgent power supply needs in Northwest Ontario to connect remote First Nation communities
- Grid connection to Ontario's remote First Nation communities would:
 - ▣ Put an end to electrical load restrictions
 - ▣ Cost significantly less than continued diesel generation (estimated \$1 billion in savings)
 - ▣ Reduce environmental and health impacts from fuel transportation, handling storage and emissions (estimated \$830 million in social value)
 - ▣ Improve social/living conditions and spur economic development (renewables, mining, jobs, and new businesses)
- Successful transmission development requires cooperation and leadership by First Nations, industry and government

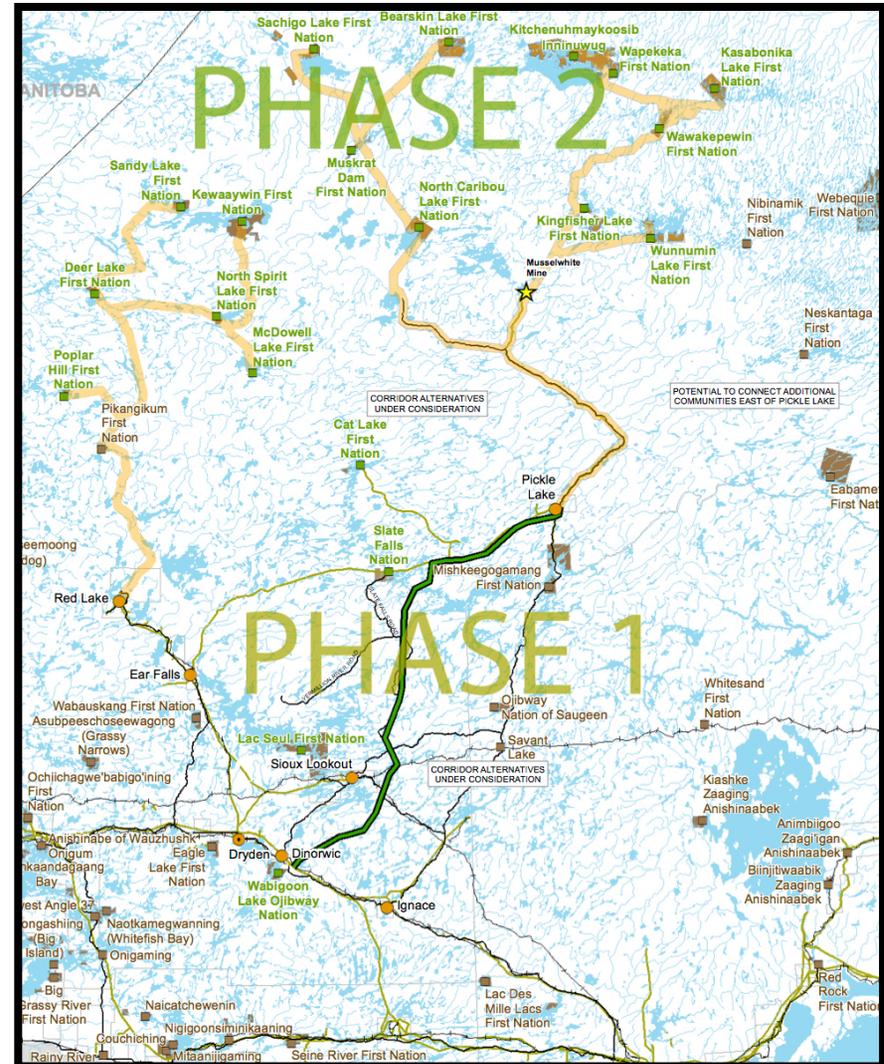
"Connecting the remote communities is a priority for Ontario" - Ontario's Long Term Energy Plan

Wataynikaneyap Power Project

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- Connection of 16/21 communities identified by the Ontario as economic to connect
- Phase 1 (**green line**) to reinforce the existing system and Phase 2 (**yellow lines**) to connect communities north of Red Lake and Pickle Lake
- Preliminary proposed corridors only
- 1800 km of 230kV, 115kV and 44kV transmission line
- \$1.35 billion estimated capital cost
- Potential remote electrification in 2022 with build out to 2024

Phase 1 cannot proceed without a plan for connecting Remote Communities



First Nations Ownership

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- Unprecedented First Nations ownership model
 - ▣ 20 First Nations communities with equal ownership
 - ▣ Open to participation from First Nations communities with a vested interest in the project
- Control of development in traditional homelands
 - ▣ Responsible development, capacity building, and benefits to First Nations communities
- Mandated and supported by community leadership



Wabigoon Lake
Ojibway Nation



Keewaywin
First Nation



Sandy Lake
First Nation



Slate Falls
Nation



Kasabonika Lake
First Nation



Sachigo Lake
First Nation



Kingfisher Lake
First Nation



Muskrat Dam
First Nation



North Caribou Lake
First Nation



Wapekeka First Nation



Poplar Hill
First Nation



McDowell Lake
First Nation



North Spirit Lake
First Nation



Lac Seul First Nation



Wawakewin
First Nation



Kitchenuhmaykoosib
Ininuwag



Wunnumin Lake
First Nation



Bearskin Lake
First Nation



Cat Lake First Nation



Deer Lake
First Nation

Chiefs' Mandate

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- October 2008
 - ▣ 13 Chiefs mandated a Steering Committee to investigate transmission development and ownership
 - ▣ Objective of connecting remote communities to the provincial grid
- February 2011
 - ▣ Expanded the mandate to include the transmission line discussions south of Pickle Lake
- October 2013
 - ▣ Expanded mandate to include connection of 5 KO communities (total now 18 First Nation Communities)
- February 2015
 - ▣ Expanded ownership group now includes Sandy Lake First Nation and Wabigoon Lake Ojibway Nation (total now 20 First Nation Communities)

Community Opportunities

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- Participating communities will be owners in a \$1.35 billion project
 - ▣ Return on investment
- Jobs will be created from construction and operation of the transmission line
 - ▣ E.g. surveyors, equipment operators, drivers, camp staff, brushing, laborers, line workers, skilled trades, management
 - ▣ Estimated 769 jobs created, of which 261 would be in Northwestern Ontario
- Local community contractors / businesses
 - ▣ Clearing, construction camps, accommodations, equipment rental
 - ▣ Construction materials
- Early training and community readiness will be key

Through Wataynikaneyap, First Nations will own, control, and benefit from one of Ontario's biggest projects

Community Engagement

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- Canada has fiduciary obligations and commitments through Treaties
- We understand that our people have Aboriginal and Treaty rights and inherent rights
- Without the people's consent, there will be no major development
- Duty to consult delegation – due diligence exercised by the proponent, ultimate responsibility and obligation must stay with the Crown
- Any community engagement must respect community protocols and principles and community autonomy – involve the community at an early stage
- “Ground up” community engagement from start to finish - Open and inclusive process – both sides need to take responsibility and exercise due diligence
- Joint engagement process driven by First Nations and industry to exceed regulatory requirements (EA) – open dialogue
- Community presentations, newsletters, website, etc.
- Continued engagement of First Nations with traditional lands impacted by the transmission corridor

Partnership with Fortis-RES

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- After a competitive selection process, Wataynikaneyap recently partnered with FortisOntario and RES Canada (“Fortis-RES”) to develop and operate the transmission facilities
 - ▣ FortisOntario is a subsidiary of Fortis, an electric and gas utility business with approximately \$28 billion in assets
 - ▣ RES provides development, engineering, construction, and operations services to the utility-scale wind, solar, transmission, and energy storage markets across the Americas



Partnership signing ceremony attended by representatives from the 20 First Nation communities, FortisOntario, RES Canada, and Ontario Ministers

The First Nations will remain majority owners and become 100% owners over time.

Project Status

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- Environmental Assessment (EA) Terms of Reference for Phase 1 approved
 - ▣ Advancing Phase 1 Environmental Assessment
- Preliminary Routing analysis completed for connection of remote communities (Phase 2)
 - ▣ Initiating Phase 2 Environmental Assessment
- Wataynikaneyap is part of a Technical Committee with representatives from the Federal Government (AANDC / NRCan) and Provincial government (Ministry of Energy / IESO)
 - ▣ Formed in early 2014 to identify and investigate the key financial, technical, and regulatory drivers to connect remote First Nation communities
 - ▣ Ultimate goal is for Federal / Provincial government to develop a funding framework

Project Status

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- Key studies completed or underway:
 - ▣ Financial Feasibility Study by PricewaterhouseCoopers (PwC)
 - ▣ Socioeconomic Impact Analysis (PwC)
 - ▣ Local Distribution Options (Hoshizaki Development Consulting)
 - ▣ Backup Power Options Study (working with IESO/AANDC – *nearly complete*)
 - ▣ Regulatory Overview (Torys LLP)
 - ▣ Phase 1 Environmental Assessment (Golder Associates - *ongoing*)
 - ▣ Phase 2 Routing Study (Senes Consultants)

Wataynikaneyap has invested approximately \$16 million to date on pre-development activities

Next Steps

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- Ongoing engagement with First Nations for best routing through Traditional Homelands
- Phase 1 (new transmission line to Pickle Lake)
 - ▣ Advance the Environmental Assessment
 - ▣ Advance engineering & design
- Phase 2 (connection of remote First Nations communities)
 - ▣ Initiate environmental assessment
 - ▣ Continue discussions with other interested communities
- Continue discussion with Canada and Ontario on a project Funding Framework
- Need to ensure communities are ready for grid connection and will benefit from the development



The Wataynikaneyap Power Team

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