

Background

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- Urgent power supply needs in Northwest Ontario to connect remote First Nation communities to the grid
- Grid connection to Ontario's remote First Nation communities would:
 - ▣ Put an end to electrical load restrictions (10 communities on restriction in 2015)
 - ▣ Save \$1 billion compared to diesel generation (PWC Study)
 - ▣ Reduce environmental and health impacts (estimated \$830 million in social value)
 - ▣ Result in 6.6 million tonnes of avoided CO2 equivalent GHG emissions
 - ▣ Improve living conditions, spur economic development, and increase government revenues
- Successful transmission development requires partnership and leadership by First Nations, industry and government
- 22 First Nations long-term vision is to own major infrastructure in their homeland
 - ▣ Unique ownership structure mandated and supported by community leadership

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

Wataynikaneyap Transmission Project

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- **One Project** – two phases
 - Phase 1 cannot proceed without a plan for connecting remote communities
- Connecting 17 First Nation communities to the provincial grid
- Phase 1 (green or orange line) to reinforce the existing system and Phase 2 (purple lines with options in blue/red) to connect communities north of Red Lake and Pickle Lake
- Preliminary proposed corridors only
- Approximately 1800 km of 230kV, 115kV and 44kV transmission line
- \$1.35 billion estimated capital cost
- Potential remote electrification in 2021 with build out to 2023
 - Pikangikum First Nation could be connected as early as 2018



Ownership

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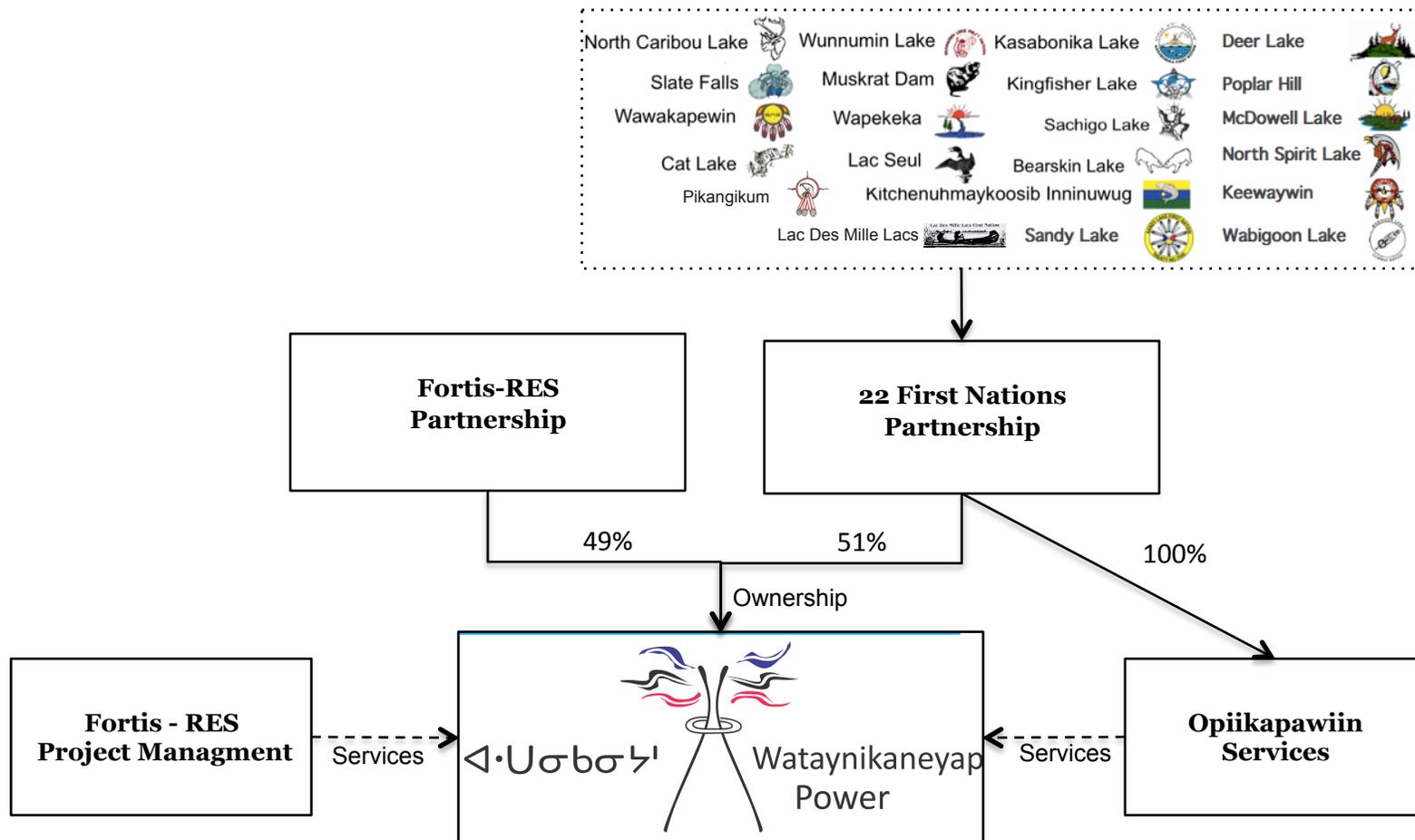
- 51% owned by 22 First Nations partnership
 - ▣ Equal ownership and open to participation from additional First Nations communities with a vested interest in the project
 - ▣ Option to become 100% owner over time
- 49% owned by Fortis-RES partnership
 - ▣ Fortis is a \$28 billion electric and gas utility business; will be responsible for regulatory, accounting, and operation of the Project
 - ▣ RES Canada a privately-held renewable energy, storage, and transmission development and construction company who will be responsible for developing and managing the construction of the Project
 - ▣ Fortis-RES is the project manager

Unprecedented ownership model with First Nations controlling development in traditional homelands

Ownership/Management

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Wataynikaneyap Power Structure



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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)
- August 2016
 - ▣ Expanded ownership group now includes Pikangikum First Nation and Lac Des Mille Lacs First Nation (total now 22 First Nation Communities)

Engagement

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- Extensive Aboriginal community engagement program
 - ▣ There are presently thirty-two First Nation communities, in addition to traditional land-based rights holders, being engaged on the Phase 1 and Phase 2 Environmental Assessments
- Indigenous organizations
- Interested members of the general public including, for example, businesses and non-indigenous land users
- Non governmental organizations (NGOs) including environmental groups and community based organizations
- Government agencies and officials including federal, provincial and local municipal/township councils, agencies and staff

Aboriginal Community Engagement

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- Canada has trust 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 stays 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, radio programs etc.
- Continued engagement of First Nations with traditional lands impacted by the transmission corridor

Support

- Chiefs of Ontario (COO) Resolution – November 25 2015
 - Calls on both levels of government to agree on an appropriate funding mechanism that will ensure the expeditious connection of the remote Ontario First Nations to the grid and to reduce use of diesel
 - Expresses to the governments of Ontario and Canada the urgency of remote First Nations to be connected to the provincial grid
 - Supports the First Nations of Wataynikaneyap Power to have the Ontario government designate Wataynikaneyap Power as a transmission company to own, construct, maintain, and operate the transmission line
- Support of the people (trappers, land users, etc)

Project Status

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- PricewaterhouseCoopers (PwC) completed a business case, financial model and socioeconomic impact analysis
- Environmental Assessment (EA) Terms of Reference for Phase 1 approved
- Initiated Environmental Assessment work for Phase 2 in January 2016
 - ▣ Notice of commencement on September 26, 2016
- Received transmission licence in November 2015
- In July 2016, Ontario passed two Orders in Council
 1. Prioritizing the connection of remote First Nation communities
 2. Designating Wataynikaneyap Power as the transmitter to undertake the project

Next Steps

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- Regulatory applications with the Ontario Energy Board
- Ongoing engagement with First Nations for best routing through Traditional Homelands
- Advance Environmental Assessments (EA) and other permitting
- Need to advance discussions with Canada and Ontario on a funding framework for fair cost sharing (**Urgent**)
- Need to ensure communities are ready for grid connection and will benefit from the development
 - ▣ Continue community readiness planning and initiate education & training
 - ▣ Ensure local distribution is up to standard and fully licenced

Community Opportunities

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- Participating communities will be owners in a \$1.35 billion project
 - ▣ Return on investment
- Renewable energy projects (water, wind, & solar) will be able to connect to the grid and sell power into the provincial system
- Local community contractors / businesses
 - ▣ Clearing, construction camps, materials, accommodations, equipment rental
 - ▣ We are initiating business readiness planning to help communities capture business opportunities
- Jobs will be created from construction and operation of the transmission line

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

Community Opportunities

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- Estimated 770 jobs created during construction, of which 260 would be in Northwestern Ontario

General Jobs

- Administration
- Clerical
- Warehouse & Yard Staff
- Security
- Camp operations
- Food supply
- Support services
- Cleaning
- Entrepreneurial opportunities

Technical Jobs

- Project Management
- Apprentice Power line Technician
- Ground crew
- Clearing
- Utility Person
- Equipment Operators
- Heavy Duty Equipment Mechanic
- Warehouse & Yard Staff
- Health & Safety Specialist
- Quality Monitor
- Quality Control / Quality Assurance

- Additional jobs during operations

Community Opportunities

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- Early training and community readiness will be key in order to create long term meaningful employment, and transferable skills.
 - ▣ Community readiness planning started in 2015
 - ▣ Hired community workers to assist with community readiness planning, and they will continue on as representatives of the project
 - ▣ Initiating a comprehensive training program in 2017
- The 22 First Nations Partnership created a new 100% First Nation owned company, “[Opiikapawiin Services](#)”, as a platform to:
 - ▣ Coordinate Aboriginal participation & engagement
 - ▣ Engage with government and stakeholders
 - ▣ Provide communications on the project



The Wataynikaneyap Power Team

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