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OFFICE OF GRAND CHIEF DAVID HARPER

January 29, 2014

Hollis M. Singh
Secretary and Executive Director
The Public Utilities Board
400 - 330 Portage Avenue
Winnipeg, Manitoba
R3C 0C4

Dear Mr. Singh:

**Re: MKO's Request to Confirm Inclusion of Macro Environmental Considerations as Within the Approved Scope and Related Matters
MKO Response to the Board's Questions of January 27, 2014**

Further to Board's letter of January 27, 2014, MKO provided the following responses to each of the Board's questions, as set out below:

1. Whether MKO plans to file Intervener Evidence, by the due date of February 4, 2014, addressing the two topics approved for MKO in Order 67/13:
 - (i) The socio-economic impacts and benefits of Manitoba Hydro's Preferred Development Plan (PDP) and alternatives in respect of the MKO First Nations; and
 - (ii) The impact of domestic electricity rates over time, with and without the PDP and with alternatives.

MKO Response: MKO is presently working with its consultant advisors to prepare evidence on both matters within the scope approved for MKO, as outlined above. As directed by the Board, MKO has engaged in general discussions with MMF and CAC regarding the matters of interest to MKO, MMF and CAC. MKO is confident that any evidence submitted by MKO will not duplicate any evidence submitted by MMF or CAC. MKO has revised its initial preparations somewhat in respect of the development of potential evidence on socio-economic considerations and rate impact considerations in consideration of recent correspondence received by the Board from representatives of the Keeyask Cree Nations.

2. What expenditures to date, have been incurred by MKO's consultants in their preparation of Intervener Evidence on socio-economic considerations and rate impact considerations?

MKO Response: In the preparation of Intervener Evidence regarding MKO's approved scope of socio-economic considerations and rate impact considerations, MKO is working within the budget for Mr. Hildebrand and Mr. Chymko as approved by the PUB in Order 92/13, at page 9. While MKO has yet to receive a statement of account from Mr. Hildebrand and Mr. Chymko for work carried out to date, it is MKO's understanding that less than \$20,000 has been expended to date.

3. What detailed information, in a proposed report/evidence, on 'macro environmental considerations' does MKO seek to provide to the PUB in the NFAT Review? Please detail how such request relates to the Terms of Reference issued by the Government and how 'macro environmental considerations' relate to the topics for which MKO was approved in Order 67/13?

MKO Response: As noted in MKO's email of January 23, 2014, MKO submits that the matter of macro environmental considerations is within the scope of the consideration of socio-economic impacts and benefits, as these considerations are understood by MKO and the MKO First Nations, and in particular, in relation to matters such as personal family and community life and resource use. The evidence on socio-economic considerations and macro environmental considerations which MKO is seeking to provide to the Board is in relation to the topic that consideration of the Preferred Development Plan and options should address, from a high-level socio-economic and macro environmental perspective:

- *The values and objectives which guide Water Regime management, for example, in respect of considerations for aquatic ecosystems and fisheries;*
- *The protection and management of iconic species which are integral to the cultural identity of the MKO First Nations, such as caribou and Lake Sturgeon.*

Pending confirmation of MKO's submissions and request by the Board, MKO has made tentative arrangements with Dr. Terry Dick to prepare evidence in this regard and with particular emphasis on these matters in respect of Lake Sturgeon. Dr. Dick is acknowledged as an expert on Lake Sturgeon in Canada, and in particular, as expert on the Nelson River populations of Lake Sturgeon.

4. What definitions of 'socio-economic' and 'macro-environmental' is MKO proposing to utilize in its reports/evidence.

MKO Response: MKO proposes to utilize the definitions of 'socio-economic' and 'macro-environmental' as set out in Order 92/13, at pages 14 and 13, respectively. MKO submits that the Board's definitions are generally consistent with the CEAA definition adopted MNP in its report, at Part 1.3. Macro-Environmental (VECs), as noted by MKO in its email to the Board dated January 23, 2014.

5. What is the detailed budget, by specific consultant and specific topic, for which MKO is seeking Board approval?

MKO Response: Dr. Dick has provided MKO with an estimate of \$12,000 for the preparation of the proposed evidence, responses to Information Requests and attendance at the NFAT proceedings, plus travel and accommodation of \$1,500, for a total budget of \$13,500.

6. The timeline for the filing of MKO's report/evidence on macro environmental considerations, should such be approved by the Board.; and

MKO Response: Dr. Dick has previously indicated a preparedness to make best efforts to work toward preparing evidence for submission on February 4, 2014. Should MKO's proposed evidence be approved by the Board, MKO would request that the Board approve February 18, 2014 as the date of submission of MKO's proposed evidence.

7. Whether MKO will be represented by legal counsel at the NFAT Hearing, and if so, whether MKO is making an application for funding assistance related to legal costs?

MKO Response: As set out in MKO's initial budget submission of June 28, 2013, it remains MKO's expectation and intention that MKO will be represented by legal counsel at the NFAT Hearing. As the Board is aware, legal counsel previously retained by MKO has recently withdrawn from the NFAT proceeding due to the matters set out in former legal counsel's correspondence to the Board. MKO has actively resumed its efforts to identify and retain legal counsel and will make further application to the Board for funding assistance related to legal costs when prospective legal counsel is identified.

As a concluding comment, MKO is prepared to submit a "for circulation" version of the MKO NFAT Case Plan – Primary Areas of Focus, if this would be of assistance to the Board. MKO is also prepared to submit the Curriculum Vitae of Dr. Dick, if this would be of assistance to the Board.

MKO appreciates the Board's consideration of MKO's submissions and request of January 23, 2014. Please do not hesitate to contact me at (204) 794-4312 should the Board require any additional information.

Sincerely,



Michael Anderson
Research Director

cc. Manitoba Hydro
Board Counsel
Intervenors