



YORK FACTORY FIRST NATION

FREQUENTLY ASKED QUESTIONS

RE: PROPOSED KEYEASK HYDRO-ELECTRIC PROJECT

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Introduction:

Since 2001, York Factory First Nation has been discussing a possible partnership in the Keeyask generating station with Manitoba Hydro, Tataskweyak Cree Nation, War Lake First Nation, and Fox Lake Cree Nation. An agreement called the Joint Keeyask Development Agreement (JKDA) has been developed laying out the terms of a potential partnership. If YFFN chooses to sign the JKDA, it will become a partner, investing in, and eventually receiving revenues from the Keeyask project.

The Keeyask station would be located at Gull Rapids, 47 km downstream of Split Lake and 4 km upstream of Stephens Lake. It could start operating as soon as 2019 and would generate 620MW of power, compared to 223MW from Kelsey, 1220MW from Kettle, and 1485MW from the proposed Conawapa station.

YFFN has made no decision about participating in the Keeyask development. The decision to participate in Keeyask will be made by vote of YFFN members. A referendum will be held, with voting polls in each of Churchill, Thompson, Winnipeg, and York Landing. The referendum question will ask if YFFN members support Chief and Council signing the JKDA and thus becoming a partner in this project.



YFFD Open-House in Thompson, MB - April 2008

YFFN Frequently Asked Questions:

The following questions were asked by YFFN members who attended the open houses. The Questions and Answers from the Open Houses are presented here for further review by all interested members.

1) Where did the name Keeyask come from?

Keeyask is the Cree word for Gull. Manitoba Hydro gave this name to the proposed Keeyask dam that would be located at Gull Rapids.

2) Why is it so important to build this dam?

The Keeyask dam would generate electricity for sale to export markets in the United States and neighbouring provinces in Canada. Presently, export power is sold by Manitoba Hydro at a higher price than the price charged to Manitobans. The revenue from export energy sales will pay for construction of the dam and produce profits for the province and the potential owners of the dam (Manitoba Hydro and possibly the Keeyask Cree Nations) and Manitoba.

3) Is the dam being built for sure?

No. First, the project requires the formal approval by the Keeyask Cree Nations (KCN) representing a majority of the KCN population. The project also requires approval and licensing by provincial and federal regulators such as Manitoba Conservation and the federal department of Fisheries and Oceans Canada. Before approval is given and licenses issued, the proponents of the Keeyask project must prepare an environmental impact statement (EIS). This is submitted to provincial and federal regulators to predict environmental impacts and present measures to avoid, reduce and manage these impacts. YFFN members and the general public will have the opportunity to review and comment on the EIS and participate in environmental hearings concerning the project.



4) What will happen if the dam isn't built?

Keeyask would be built for export purposes only. Therefore, if the Keeyask dam is not built, there will be no effect on the amount of electrical power available to Manitobans.

If the dam is not built, the environmental impacts and potential socio-economic impacts that would have been caused by the construction and operation of the dam will not happen. Also, YFFN will not gain the potential economic benefits that would be acquired if the dam were built. Specifically, if plans to build the dam are cancelled, there will be no signing of an Adverse Effects Agreement, there may be no employment or business opportunities related to the project, and no investment options.

5) What would happen if YFFN objected to Keeyask being built?

A vote by YFFN members against participation in Keeyask would not automatically stop the project. Because TCN has 60% of the population of the affected First Nations, the dam could proceed with only the support of TCN [see Question 7].

Provincial and federal regulators must assess how all communities are affected by the project, and must incorporate this into any decision to approve the dam. If YFFN decides not to sign the JKDA, it will remain an affected aboriginal community. Therefore, YFFN could fully participate in the environmental review and YFFN positions concerning the project would be accounted for by regulators in the environmental assessment/approval process.

If YFFN chooses not to be a partner in Keeyask, Manitoba Hydro still must meet its obligations under the 1995 Implementation Agreement, which includes employment, training, and business opportunities, and the signing of an Adverse Effects Agreement. An Adverse Effects Agreement will predict the negative impacts that YFFN members may experience as a result of the project being built and will provide compensation based on these potential negative impacts.

6) Will the Manitoba government and Manitoba Hydro build these dams without consulting with York Factory members?

No. Manitoba Hydro must consult with every community that would be affected by the project, as well as the Manitoba public at large. YFFN would be an affected community if

the Keeyask Generating Station is built, therefore, Manitoba Hydro has been meeting with YFFN Chief and Council and negotiators since 2001 to discuss possible impacts of the Keeyask project. In addition, Manitoba Hydro is currently implementing its Public Involvement Program (PIP) to provide information on the project to the Manitoba public, which includes travelling to communities throughout Manitoba.

The federal and provincial governments also have a legal duty to consult aboriginal communities on developments - like hydroelectric dams - that may affect their aboriginal and treaty rights.

7) What is a KCN majority? Why is the term so important?

KCN stands for Keeyask Cree Nation. This is a term defined in the Joint Keeyask Development Agreement (JKDA), referring to the First Nation communities that may be co-proponents and investors in the Keeyask dam (York Factory First Nation, Tataskweyak Cree Nation, War Lake First Nation, and Fox Lake Cree Nation).



The term 'KCN majority' refers to the ratification vote on the JKDA. It means the majority population, based on band membership, of all the Keeyask Cree Nations. A vote in support of the JKDA requires at least one third (1/3) of all KCN members vote who are eligible to vote; and a majority of the votes cast must be in favour of the Referendum question. The term is important because Manitoba Hydro has stated that it will only proceed with Keeyask development if it has support of First Nations representing a KCN

majority. It should be noted that TCN represents a KCN majority on its own, as it makes up 60% of the total population of KCN's. Therefore, if TCN votes in favour of the JKDA, the project will have sufficient support to go ahead.

8) If TCN is in favour of the dam being built, why is YFFN voting?

The TCN Chief and Council and negotiating team may have publicly supported the Keeyask project and the potential signing of the JKDA, however, their official support of the dam requires a positive ratification vote made by a majority of its band members. The purpose of YFFN's vote is to determine whether or not YFFN should be an investment partner in the dam, if the project goes ahead. This would make YFFN a partner in business investments and revenues.



10) Where do we go to get the right information on what is going on? How do we know what to believe, or how to interpret what we see in the public media?

For accurate information on the Keeyask project and the JKDA, contact the York Factory Future Development office in York Landing, Manitoba at 1-888- 341-2336 or visit the YFFD website at www.yffd.ca.

11) As York Factory First Nation members living off reserve, how will the Keeyask dam affect us?

While off-reserve members may not experience physical effects from the Keeyask dam being built, it could affect these members in a variety of ways. Firstly, if the JKDA is signed, YFFN will receive a portion of the revenues that are generated from the dam. Secondly, training and employment opportunities and business opportunities related to Keeyask are available to both on and off-reserve members. Off-reserve members could also be affected by socio-economic impacts of Keeyask such as increased traffic on northern roads and increased regional population due to influx of workers during construction period.

12) As YFFN requires both on and off-reserve members to vote on the JKDA, what specific benefits are there for the off-reserve members?

YFFN members living off-reserve have no special benefits above and beyond those that will be provided to members living on-reserve. However, off-reserve members will receive the same benefits as on-reserve members with regards to construction employment opportunities, business opportunities, and potential revenues that could be retained from the Keeyask project. In addition, there are various offsetting measures being negotiated under the Adverse Effects Agreement, which are being designed to benefit both on and off-reserve members.

13) The TV and Newspapers announced a \$ 2.2 billion deal with Wisconsin – how does this affect Keeyask negotiations?

The deal that was signed between Manitoba Hydro and the Wisconsin government for the sale of Hydro electricity, is an agreement in principle. The terms of this agreement are subject to change depending on fluctuations in market prices. If the deal is finalized, it would mean a secured buyer for 250 megawatts (MW) of hydro power over 15 years, starting in 2020. This long-term sale would require the construction of a Bipole III transmission line, and other northern hydroelectric facilities.

**GULL RAPIDS -
Proposed Site for the Keeyask Generating Station**

