

KEEYASK

GENERATION PROJECT

Round One of Keeyask Public Involvement Program

NEWSLETTER

Issue #1 May 2008

First Round of Keeyask Public Involvement Program Underway

This is the first Keeyask Public Involvement Program Newsletter for the hydroelectric generation project proposed to be built in Northern Manitoba. This newsletter will provide basic information about the project and the process. Subsequent newsletters will provide updates on the status of the project and the environmental assessment.

This Public Involvement Program is intended to provide meaningful opportunities for people to receive information and identify issues and potential effects about the proposed project.



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About the Proposed Keeyask Generation Project

The Keeyask Project is being studied for possible hydroelectric development in the foreseeable future. It is in the Split Lake Resource Management Area (RMA). The Fox Lake RMA is downstream. The largest portion of the York Factory RMA is downstream, and a smaller portion is adjacent to the Split Lake RMA.

The project is still in the planning and discussion stage. No decision has been made to go forward with development of this project, and no application has yet been made for regulatory review or approval.

As part of the preliminary project work, planning and environmental studies have started with data collection and analysis that will be needed to assist in the decision-making process.

The Conawapa Project is also being studied for possible hydroelectric development, but it is not part of the current process. The Conawapa Project is in the Fox Lake RMA. The Split Lake RMA is upstream. The largest portion of the York Factory RMA is downstream, and a smaller portion is adjacent to the Split Lake RMA.

Location

Keeyask would be located about 725 kilometres northeast of Winnipeg, on the lower Nelson River about 35 kilometres upstream of the existing Kettle Generating Station where Gull Lake flows into Stevens Lake.

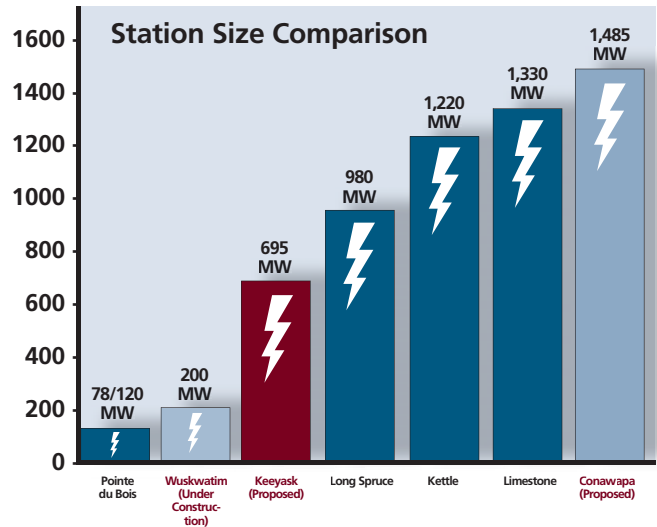
It would be about 58 kilometres east of the community of Split Lake and about 30 kilometres west of Gillam.

Scope

Keeyask would have a nominal generating capacity of about 695 megawatts and produce an average of 4,400 gigawatt hours of electricity each year. If built, it would become Manitoba's fourth-largest generating station.

Timing and Construction

If a decision is made to go ahead with the project and all approvals are in place, the earliest construction is likely to begin on the generation project is 2012, and the plant could begin transmitting power in 2017. The project would include several main structures consisting of the powerhouse,



spillway, three dams (central, north and south), dykes and a transmission tower spur.

Also, supporting infrastructure would be required, including access roads, cofferdams, worker accommodations, storage areas, and offices. This infrastructure is required before construction can begin on the generation project.

Reservoir

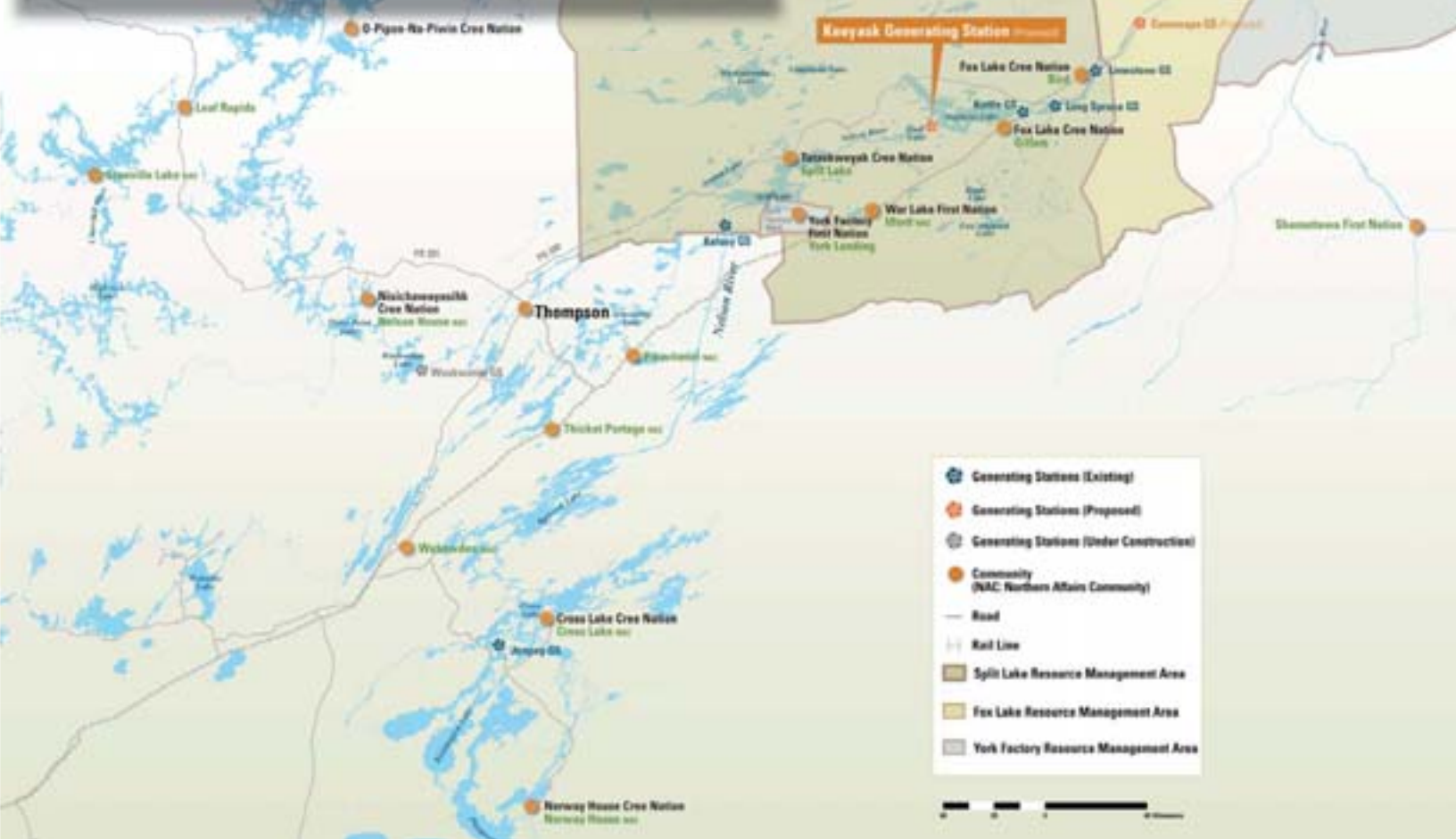
Total reservoir area of the proposed project would be approximately 93 square kilometres. The length of the reservoir would be approximately 40 kilometres.

Overall, the flooded land area would be about 45 square kilometres and may gradually increase due to erosion.

Additional Transmission Capacity Would be Required to Bring Power to Market

Additional power transmission capacity would be necessary to deliver the electricity from the North to users in southern Manitoba or to export markets outside the province.

New transmission capacity is being planned, but is being developed as a separate project for reliability and security of the electricity system.



Keyask Requirements for Construction Employment

An estimated 4,500 person-years of employment over the seven- to eight-year construction period would be required to build Keyask.

Construction occupations would fall into three categories: designated trades, non-designated trades and support occupations. Designated trades include electricians, plumbers and other licensed skilled trades. Non-designated trades include heavy equipment operators, truck drivers, labourers, etc. Support occupations include clerks, cooks/catering personnel and security.

Providing Employment Opportunities to Aboriginal People on the Keyask Project

To provide as many opportunities as possible for Aboriginal people to qualify for jobs on the project, pre-project training of Aboriginal people under the Hydro Northern Training and Employment Initiative for the Wuskwatim and Keyask projects is available. To March 2007, it has already resulted in:

- 1,402 trainees participating in 3,272 training activities;
- 627 individuals completing project-related trades or occupational training, which has produced 13 certified journeypersons, 135 active apprentices and 97 pre-apprenticeship trainees; and
- 267 individuals employed in jobs related to their completed training, as well as other occupations.



Potential Keeyask First Nation Partnership is Being Explored

Manitoba Hydro is exploring the potential for a partnership with four First Nations (Keeyask Cree Nations) in the vicinity of the project, which are Tataskweyak Cree Nation and War Lake First Nation (acting as the Cree Nation Partners), Fox Lake Cree Nation and York Factory First Nation.

Joint Keeyask Development Agreement

These parties are currently negotiating a Joint Keeyask Development Agreement (JKDA) that would govern how the project would be developed and sets out understandings related to potential income opportunities, training, employment, business opportunities and other related matters.

For the Keeyask Project to be advanced at this time, a positive vote on the JKDA would

be required by the Keeyask Cree Nations representing a majority of the population.

Adverse Effects Agreements will be Negotiated with Each Keeyask Cree Nation as Part of JKDA

As part of negotiating the JKDA, each participating First Nation – Tataskweyak Cree Nation, War Lake First Nation, Fox Lake Cree Nation and York Factory First Nation – is negotiating a separate Adverse Effects Agreement that will bind the Keeyask Limited Partnership.

The purpose of the Adverse Effects Agreements, with certain exceptions, is to fully address all past and future Keeyask adverse effects on the Keeyask Cree Nations and their members which arise from the development and operation of the Keeyask Project and are foreseeable with the exercise of due diligence as of the date of the signing.

Sustainability is a Cornerstone of the Keeyask Project

Manitoba Hydro is committed to applying the principles of sustainable development.

Economic

The Keeyask Project is an economic opportunity with energy initially being sold to export customers. As Manitoba's energy needs continue to grow the project will eventually service domestic customers.

Social

Manitoba Hydro and local Cree Nations are working together to ensure the project, if it proceeds, is beneficial to local and northern people.

Environmental

The project is being planned to avoid and mitigate environmental effects to the greatest extent practical.

Environmental Assessment and Approvals will be Required Prior to Construction

A key requirement of preliminary planning for the project will be the completion of a comprehensive environmental impact assessment (EIA) that will:

- Identify potential effects the project may have on the environment and people;
- Determine ways to avoid, reduce or mitigate potential negative effects;
- Determine ways to enhance potential positive effects; and
- Develop follow-up and monitoring programs.

Results of these studies will be compiled in an environmental impact statement (EIS) that will be available to the public and submitted for review and approval under the Canadian Environmental Assessment Act and the Manitoba Environment Act, as well as under other federal and provincial legislation. Public hearings are expected.

Keeyask Environmental Studies are Currently Underway

Since 2001, Manitoba Hydro has been working with local Cree Nations to collect information that will contribute to the project's EIA.

So far, studies of the existing environment have considered: the physical environment, terrestrial and aquatic environments, heritage resources, resource use (started in 2007) and socio-economic environment (started in 2007).



Environmental Assessment Studies

Physical Environment Studies

- Air quality
- Climate
- Geology and soils
- Water levels and flows
- Thermal regime
- Ice processes
- Erosion and sedimentation
- Debris
- Water quality



Aquatic Studies

- Aquatic habitat
- Aquatic plants and invertebrates
- Fish community – populations, spawning, and movements
- Lake sturgeon – species of special interest
- Fish quality – mercury

Terrestrial Studies

- Vegetated habitat classification and mapping
- Rare plants
- Insects
- Amphibians
- Songbirds, raptors and waterfowl
- Small mammals (e.g. voles, rabbits, mice)
- Furbearers (e.g. beaver, muskrat, mink, otter)
- Large mammals (e.g. caribou, moose)



Heritage Resource Studies

- Burial sites
- Heritage resources, such as pottery or bone fragments from pre-contact to the historic period
- Culturally important sites

Socio-Economic and Resource-use Studies

- Land and resource use for traditional, recreational and commercial purposes
- Local and regional economy, including employment and business
- Population, housing, infrastructure and services
- Transportation, navigation safety and access
- Community health
- Culture
- Social well-being and quality of life

Aboriginal Traditional Knowledge will be a Key Component in Environmental Studies

Manitoba Hydro and its potential Cree Nation partners are committed to using both western science-based knowledge and Aboriginal traditional knowledge in the Keeyask environmental impact statement.

Aboriginal traditional knowledge will provide important perspectives on the environmental and socio-economic implications of project development. Integrating Aboriginal traditional and local knowledge along with knowledge from scientific and other studies is intended to enhance the environmental assessment of the project.



A Comprehensive Public Involvement Program will be Conducted in Three Rounds

Public involvement is a key element of the Environmental Impact Assessment (EIA) activities for the project and will involve three rounds of consultation before the process is complete.

The purpose of the public involvement process will be to provide meaningful opportunities for people to receive information and identify issues and potential effects about the proposed project so they can be considered while the project is still in the planning stage.

Round One will Introduce the Project and Identify Issues and Concerns

Round One of the Public Involvement Program will initiate the consultation process throughout Manitoba to:

- Introduce the public to the proposed Keeyask Generation Project;
- Learn about any issues or concerns the public may have about the Project; and

- Hear from the public how they wish to be consulted in further rounds of the Public Involvement Program.

This will be followed by two separate rounds of consultation.

A variety of public involvement methods will be available including meetings, workshops, open houses, newsletters, information panels and a project website. Round One is expected to begin in spring 2008.

A Wide Range of Audiences will be Included

The key audiences are those potentially affected by or interested in the proposed project, including the following:

- Communities primarily in the Churchill-Burntwood-Nelson area beyond the Keeyask Cree Nations, including First Nations, Gillam, Thompson, and Northern Affairs communities.
- Organizations and the general public affected by, or interested in, the proposed project, including: Manitoba Keewatinowi Okimakanak, Keewatin Tribal Council, Manitoba Métis Federation, Northern Association of Community Councils, environmental non-government organizations, interested groups/organizations (e.g., outfitters/lodge operators) and the general public.

NOTE: The Keeyask Cree Nations are conducting consultation programs with their own members.

Round One Project Description and Issue Identification

Purpose & Scope

- Initiate dialogue about proposed project
- Provide a description of the project
- Identify issues and concerns
- Inform public about the process/requirements and schedule for EA
- Determine how interested/affected parties would like to be involved in PIP
- Document what was heard

Round Two Preliminary Environmental Assessment Results

Purpose & Scope

- Describe project features and changes since Round One
- Discuss initial findings (biophysical, socio-economic)
- Obtain input on possible mitigation measures
- Document what was heard

Round Three Final Environmental Impact Statement Review

Purpose & Scope

- Discuss format and content of EIS
- Communicate supplemental information
- Document what was heard

How to Get Involved in the Process

Let us know the best ways to keep you informed about the project and get your input through such means as: periodic newsletters, the project website, E-mail notifications of meetings and new information and audio/visual materials.

Please help us serve you by completing the questionnaire available on our project website or at meetings, workshops and open houses.

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Do You Have Questions, Concerns or Issues About the Proposed Project?

We invite you to contact us at the address below with any questions, concerns or issues you may have about the proposed Keeyask Project.

Mailing Address

Keeyask Project
Public Involvement Program
Major Projects Licensing Department
Manitoba Hydro
820 Taylor Ave.
Winnipeg, MB R3C 2P4

Website Address

www.hydro.mb.ca/keeyask

