

1 **Interrogatory 6**

2 **Questions**

3 If you are selected as the designated transmitter, will the First Nation and Métis
4 communities identified by the Ministry of Energy in its letter to the Ontario Power
5 Authority ("OPA") dated May 31, 2011, and possibly other affected and interested First
6 Nation and Métis communities, be given an equal opportunity to participate in the
7 project? Will all affected (or interested) First Nation and Métis communities be given
8 equal opportunity for all forms of participation in the project (e.g. employment
9 opportunities, equity participation)?

10 **Response**

11 If EWT LP is selected as the designated transmitter, the identified First Nation and Métis
12 communities and possibly other affected and interested First Nation and Métis
13 communities will not only be accommodated, as appropriate, but may benefit from
14 economic participation in the development and construction of the Project. Where all
15 applicable technical and professional standards are met, the costs are commercially
16 reasonable and the BLP Participating First Nations are not selected to provide the goods
17 or services (due to lack of ability to provide or higher cost option), then EWT LP will
18 give priority with respect to employment, training and commercial opportunities to other
19 Aboriginal community members and to the businesses which they own or control.
20 Moreover, EWT LP's competitive procurement processes will pair community resources
21 and assets with Project needs in order to maximize the efficiency of the Project and
22 enhance Aboriginal participation in it. For more detail in this regard, see pages 7 and 8
23 of Part A, Exhibit 3 of EWT LP's designation application.

24 EWT LP is not contemplating changes to its ownership structure at this time. The
25 decision of the Participating First Nations to do business with each other, to form BLP,
26 and to become equal partners in EWT LP with companies of their own choice was an act
27 of self-determination. It has taken almost three years to develop the underlying
28 relationship. Their decision was based on a desire for participation in development,
29 construction and operations activities; for equity ownership; and for equal participation in
30 the corporate governance of the transmitter designated to own transmission facilities
31 crossing their traditional territories. This is congruent with the Participating First Nations
32 each having traditional territories directly impacted by the Project, since their
33 communities are all located within 40 km of the existing East-West Tie line and are the
34 closest to the proposed Project. Such proximity gives the Participating First Nations
35 unique routing, cultural and traditional knowledge regarding the Project area, and
36 existing relationships with the majority of landowners, municipalities and agencies in the
37 area.

38 First Nation and Métis participation from an equity perspective is not just a 'tick-the-box
39 exercise' for the purpose of satisfying criteria for the current process. For BLP and EWT

1 LP, it is also fundamental to the advancement of the Project and to the communities that
2 are directly affected.

3

Interrogatory 2

Questions

EWT LP has secured a 1/3rd equity partnership with Bamkushwada LP (“BLP”). BLP consists of six directly affected First Nations communities. Are the participating First Nations in BLP bound by an exclusivity clause that restricts the ability of other applicants from developing similar participation relationships, either before or after designation? In the event that EWT LP is not designated by the Board, can you advise whether or not the entity that is designated will be able to consult with the participating First Nations in BLP immediately after the Board issues its designation decision?

Response

The partners of EWT LP have mutually agreed to deal with each other on an exclusive basis with respect to the Project before and after the date of designation. The Participating First Nations did so voluntarily, and with the advice of independent legal counsel. Because each of the partners of EWT LP play a role in the partnership’s governance and its designation plan, the exclusivity period before the Board’s designation decision provided stability to the partnership’s structure. From BLP’s perspective, it enables BLP to manage Aboriginal involvement and (being a First Nations-owned entity) to speak as one voice in respect of First Nations interests. The extension of the exclusivity period after designation is only for a brief time and is to allow for sufficient time to wind up or otherwise address issues arising from the commercial relationship between the partners post-designation. Exclusivity only relates to economic participation in EWT LP and the Project.

However, the Participating First Nations are not contractually prohibited in any way from participating in consultation and accommodation with the Crown in respect of the Project; providing information about their communities, history , people and asserted and actual rights; or, participating in any consultation or negotiating any form of accommodation with a designated transmitter who is not EWT LP. Accordingly, if EWT LP is not designated by the Board, the entity that is designated will be able to consult with the Participating First Nations in BLP immediately after the Board issues its designation decision.

