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Exhibit L Tab 9 schedule 3

WITNESS STATEMENT
of

Arnold May

On behalf of the Intervener
Nipissing First Nation

relating to the
ONTARIO ENERGY BOARD HEARING

In the matter of
the Integrated Power System Plan Review

OEB File No. 2007-0707

July 31, 2008

1. Introduction

I, Arnold May, prepared this Witness Statement dated July 31, 2008 in consideration of the application by the Ontario Power Authority for approval of their Integrated Power System Plan by the Ontario Energy Board (OEB).

This Witness Statement outlines my qualifications, the issues and matters I will cover in evidence before the OEB, and summarizes my opinions and conclusions as they relate to the application.

2 Background & Qualifications

I am a member of Nipissing First Nation and have worked in the electrical power generation industry for 31 years in various capacities including training and management. In 2002, I retired as a Senior Analyst/Aboriginal Relations with Ontario Power Generation/Ontario Hydro. Since my retirement I have operated my own consulting business called "Beedaubun Enterprise".

In addition to my work experience I have been greatly involved in my First Nation community at a volunteer level. This includes volunteering on Nipissing First Nations Land Code; Land Law; Economic Development, Housing, Constitution Development, Nursing Home; and Education committees. I was also a member of Nipissing First Nation lands claim trust settlement board.

My curriculum vita is attached to this statement as Appendix A.

3 Evidence: Scope and Summary

My evidence will address past power transmission and generation problems that the OEB must be aware of in order to amend the IPSP to mitigate or prevent these types of challenges in the future. My evidence will present: a) how Nipissing First Nation were taken advantage of by signing easements into perpetuity; b) how First Nations including Nipissing First Nation transmission line

corridor easements were grossly undervalued; c) how current consultations do not adequately address Nipissing First Nations concerns.

It is my opinion that past and future power generation activities in Ontario have and will impact Nipissing First Nation's lands both reserve, unsold surrendered land and treaty territory. As such, significant consultations and accommodation are required so that the IPSP will provide for sufficient accommodations to prevent or mitigate these types of situations from occurring in the future.

In this Witness Statement and Report, I address issues C. 1 as identified in the issues list attachment to the Board's Procedural Order.

4. Overview of Evidence

a) Overview of how Nipissing First Nation was taken advantage of by signing easements into perpetuity;

Starting in 1993 I worked as a Senior Analyst/Aboriginal Relations with Ontario Hydro focusing on Aboriginal relations. At that time I had an opportunity to review dozens of situations where First Nations were taken advantage of in transmission line corridor easement takings, and hydroelectric power developments. Each of these situations has several things in common. Firstly, they involved:

i) Significant impacts on the First Nation Communities through these developments with no consideration for the impacts. Nipissing First Nation in particular did not receive electrical power until 1950's, although Crystal Fall's generating station was built on Nipissing First Nation territory in the 1920's and transmission lines were built through Nipissing First Nation territory in 1950's. The provincial authorities wanted guarantees of payment from the Federal government before it provided electrical power to Nipissing First Nation members.

ii) Lands were taken from Nipissing First Nation for these developments and compensation in particular for the transmission corridors was through an easement signed in perpetuity. Ontario Hydro took the shortest route to get from point A to point B without regard for impacts to sacred or burial grounds. Nipissing First Nation transmission line corridor easements were grossly undervalued.

The Indian Taxation Advisory board created an opportunity for First Nations in the 1980s to tax those power corporations who traversed First Nation lands. Ontario Hydro developed what they called Payments or Grants in Lieu of Taxes for those First Nations who were impacted by transmission line corridors or other types of buildings such as transformer stations, power plants, dams etc on their lands. First Nations were invited to participate.

In 1993, until I retired, I worked as a Senior Analyst, Aboriginal & Northern Affairs Branch of Ontario Hydro. In this position I acted as a lead negotiator and team member in joint problem solving processes to resolve past grievances held by various First Nations. In September of 1993 I met with Nipissing First Nation including Chief Gerry Beaucage as one of my various working files. At this meeting representatives of the Ontario Hydro real estate department were also present and there was discussion that the entitlement of payments in lieu of taxes, as a general rule, was \$5,000.00 per km per year for transmission line corridors. Nipissing First Nation had received several thousand dollars as a one time lump sum payment for an easement into perpetuity in the 50's. Despite the grossly undervalued easement, Nipissing First Nation was not eligible for the payment in lieu of taxes for their land because the land was "unsold surrendered". Unsold surrendered meant that they held the beneficial interest and the Federal Crown had title.

Nipissing First Nation was treated unfairly as compared to municipalities.

Generally, municipalities involved with transmission line corridors and in similar situations, have been compensated for facilities on their lands in accordance with their respective negotiations with Ontario Hydro. These facilities included easement agreements with annual financial installments and fixed terms.

Nipissing First Nations were never treated the same way as municipalities. They were offered a one time payment for an easement into perpetuity.

c) Overview of how current consultations do not adequately address Nipissing First Nations concerns.

With respect to current consultations on the IPSP, Nipissing First Nation views them as superficial and unfortunately a sign of future consultations. Letters sent to attend regional IPSP presentation meetings are not seen as consultation, Nipissing First Nation is another level of government that any party who wishes to speak to must recognize and work with as they would any other level of government. Capacity is an issue in Nipissing First Nation and we are doing the best we can with our resources. Getting called at the last minute to sit in on a IPSP presentation is not meaningful consultation. Questions were put forward to the presenters at these IPSP presentations and there was no response to these questions until eight months after the presentation. This is not meaningful consultation. Nipissing supports the principle of the IPSP and recognizes the need in the Province of Ontario and all we ask is that you come and speak to us directly, we want to be a involved and participate in this Industry.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Arnold May", with a stylized flourish at the end.

Arnold May

31 July 2008

Attachments:

Appendix A: Curriculum Vitae

Arnold C. May

2008 Curriculum Vitae

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**147 Yellek Trail, Nipissing First Nation
North Bay, Ontario
P1B 8G5**

Email: acmay@ontera.net

Summary of experience:

- **Retired, consulting business owner for past 6 years.**
- **Volunteer and Board member for various groups.**
- **Lead negotiator with 10 years experience at Provincial Utility.**
- **Resolved past grievances held by First Nations through a joint problem solving process, which lead to 7 agreements.**
- **17 years as trainer, developer for maintenance trades.**
- **8 years as machinist/mechanical maintainer with utility, mining and steel producing industry.**

Professional/Employment Experience:

- **Consultant** **2002 - present**
- **Ontario/Ontario Power Generation** **1971 – 2002**

Positions held:

- **Business owner.** **2002 – Present**
- **Senior Analyst / Aboriginal Relations** **1997 – 2002**
Water Resources Division Reporting to Director
 - **Advice and guidance to Corporate office on Aboriginal Relations.**
 - **Oversee and manage Aboriginal Relations and past grievances for the Division.**
 - **Represent Corporation at Aboriginal functions including the Council for Corporate Aboriginal Relations with the Conference Board of Canada.**
- **Manager / Aboriginal & Northern Affairs** **1995 - 1996**
Branch Reporting to Vice President.
 - **Managed branch affairs in concert with another manager and a staff of five.**

- **Responsibilities included managing budget and developing Policy.**
- **Senior Analyst, Aboriginal & Northern Affairs
Branch Reporting to Senior Vice President. 1992 - 1995**
 - **Lead negotiator and team member in joint problem solving processes to resolve past grievances held by various First Nations.**
 - **Implemented Native Circle within the Corporation.**
 - **Produced branch newsletter.**
- **Training Officer. 1991 - 1992**
 - **Responsible for the development of trades related training programs. Regulatory agency requirement.**
- **Machinist – Mining and Steel Industry. 1969 - 1971**

Education:

**Certified, Alternative Dispute Resolution, 2001
Canadore College,
North Bay, Ontario, Canada.**

**Certified in Training System Design 1992
Durham College, Oshawa, Ontario, Canada.**

**Machine Technology (Honours) Sault College, 1969
Sault Ste Marie, Ontario, Canada.**

Professional Development:

**Winning – Negotiation Skills.
Facilitation Skills and Group Facilitation.
Personality Trait Training, Presentation Techniques.
Communications and various computer training courses.
Completed Machinist Apprenticeship and Industrial Mechanic
Millwright programs.**

Associations:

**Board member for North Bay Hospital Foundation
Nipissing First Nation (NFN) Land Law and Nursing Home
Committee, past Land Code development, Housing, Education,
Constitution committees and Trust board. Hospital Fund raising**

**chair for NFN. Past president of NFN Economic Development Corporation.
Director on Board at Wigwamen Inc, Wigwamen Non-Profit and Upper Canada Property Management. Co-chair of Water working group reporting to Resource Management Council at UOI.**