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EXHIBIT # CNF-1012
WUSKWATIM GENERATION
& TRANSMISSION PROJECT

R.G.H.

Manitoba Wildlands – CNF Response to TREE-RCM Requests for Additional Information

TREE-RCM posed the following two questions on February 16, 2004:

CNF/TREE/RCM I – 1

Please identify what in your view are the most serious shortcomings of the assessment and review of the Wuskwatim project and explain your judgment in terms of recognized standards for environmental assessment.

CNF/TREE/RCM I – 2

Please identify what in your view are the most significant shortcomings of the Wuskwatim Project itself and explain your judgment in terms of the various documents cited in your submission on February 13, 2004.

The Manitoba Wildlands – CNF response is as follows:

Re: CNF/TREE/RCM I – 1

The most serious shortcomings of the assessment and review of the Wuskwatim projects are:

- The failure of the Clean Environment Commission (CEC) to obtain all relevant information for the hearing Wuskwatim review process. Specifically:
 - the failure to compel the proponents and the Project Administration Team (PAT) to respond to participants' interrogatories and thus the tacit acknowledgement that the proponents and the PAT make decisions as to what information is within or outside of the scope of the review and/or their role; and
 - the dismissal of all (save one) participants' motions for disclosure, indicating a lack of flexibility in lieu of capacity and time constraints of participants, and a refusal to exercise their power to require proponents to provide outstanding information.
- The failure of the PAT to maintain the public registry (including all filings, motions, decisions, procedural information, and communication between the proponents, the PAT, the CEC, and participants), and therefore facilitate adequate access to information for the public. This commitment was made by Mr. Strachan, Chair of the PAT at the July 2003 pre hearing workshop.
- The failure to undertake the review within the context of the EIS Guidelines for the Wuskwatim projects, showing clear relationship to these guidelines.

- The failure to maintain a responsible agency under the CEAA for the Wuskwatim Transmission project and the ‘assumed’ second nature of impacts from the Transmission project.

Re: CNF/TREE/RCM I – 2

Shortcomings of the Wuskwatim Project, according to the views of Manitoba Wildlands – CNF are as per our review comments of June 2003, our interrogatories to Manitoba Hydro / Nisichawayasihk Cree Nation (NCN) of October 2003, our requests to Manitoba Hydro / NCN for further disclosure of December 2003, and our Motion for disclosure of January 2004. In addition, we also would like to note the following:

Protected Areas Commitments

In 1990, the Government of Manitoba signed on to the World Wildlife Fund Endangered Spaces Campaign and committed itself to completing a network of representative protected areas that would adequately protect ecologically viable representative portions of all the natural regions and special features in Manitoba by the year 2000. (*Protected Areas Initiative* <http://www.gov.mb.ca/conservation/pai/>) It is now the year 2004, and this task is still incomplete. In keeping with the stated public policy for protected areas in Manitoba, Manitoba Wildlands – CNF asserts that any new northern development should only be considered once adequate protection is achieved for the natural regions and features in the areas where development is proposed. This has not occurred for the regions in which the proposed Wuskwatim projects are sited. The protected areas in Natural Regions 4a, 5a, which the Wuskwatim Projects affect, do not confer adequate representation of ecological features of these regions.

Environmental impacts

A number of intervenors have identified numerous hydrological and environmental impacts from the existing portion of the Churchill River Diversion, Lake Winnipeg Regulation, northern generation and transmission project. The Manitoba government and Manitoba Hydro agree that there are numerous impacts. Manitoba Hydro has failed to demonstrate, with data and modeling information that is transparent to the intervenors, that the Wuskwatim phase of the project will not add to these system-wide hydrological impacts, nor have they proposed mitigative measures except in the area of the Wuskwatim dam site, as defined by Manitoba Hydro.

In addition, the EIS indicates that a number of species at risk, most notably Woodland Caribou, inhabit the project study area. The Wuskwatim project imposes new risks from 2- and 4-legged predator access and potential habitat destruction, but no special management and recovery plans are in place. Protection for species at risk mandated by SARA must be in place prior to development activities like the Wuskwatim projects.

Social Impacts

The above-cited hydrological impacts, past and future, have had and likely will continue to have profound social impacts on the residents of the affected areas. We leave it to the affected intervenors to document these impacts. These impacts must be addressed prior to any new phase in Manitoba Hydro's northern generation and transmission project.

Section 35 consultations are not complete and Section 9(a) consultations with Aboriginal parties, including the Manitoba Metis Federation, have either not begun or not reached a satisfactory outcome that has been publicly communicated. The requirements for meaningful consultation with the affected Aboriginal parties must be met by governments and Manitoba Hydro prior to any new northern development, or decision regarding the Wuskwatim projects.

Wuskwatim advancement is not needed to meet domestic load, but is entirely for the export market for at least the first decade. Unlike the former Conawapa proposal, Wuskwatim is being undertaken without firm export contracts in place to purchase the power it will generate. To the negative impacts cited above can be added the risk of incurring almost a billion dollars of debt without the assurance of a contract to buy the power.

Better alternative

Manitoba Wildlands - CNF believes that the need for the Wuskwatim projects has not been demonstrated and that there are alternatives to meet the objectives of maintaining surplus electricity for export earnings, benefiting Manitoba customers, and creating jobs in the north and elsewhere. That alternative is a more vigorous promotion of Demand Side Management (DSM) and alternative energy production from sources like wind. The Job Jolt report from Minnesota characterizes the benefits of this alternative strategy for another jurisdiction. It can be found at:

(<http://www.elpc.org/Repoweringmidwest/Job%20Jolt/JJfinal.pdf>><http://www.elpc.org/Repoweringmidwest/Job%20Jolt/JJfinal.pdf>)

For lack of resources, we will rely on the analysis of Mr. Ralph Torrie to demonstrate the case for better energy alternatives for Manitoba.

With regard to the various documents cited in our submission of February 13, 2004, these references are intended to indicate the alternative science, economic analysis, expert opinions, policies, and international agreements and standards which can provide a basis for the expert testimony, and questioning of proponents during the hearings.