

## **PARTICIPANT FUNDING PROGRAM—ABORIGINAL FUNDING ENVELOPE FUNDING REVIEW COMMITTEE'S REPORT**

### **ALLOCATION OF FUNDS FOR PARTICIPATION IN THE COMPREHENSIVE STUDY OF THE LABRADOR–ISLAND TRANSMISSION LINK PROJECT**

The Participant Funding Program (PFP) was established pursuant to subsection 58(1.1) of the *Canadian Environmental Assessment Act* (the Act), which states: *For the purposes of this Act, the Minister shall establish a participant funding program to facilitate the participation of the public in comprehensive studies, mediations and assessments by review panels.* The PFP also includes an Aboriginal Funding Envelope (AFE) to strengthen the ability of Aboriginal groups to participate in federal or joint federal–provincial environmental assessment (EA) processes and in related consultation activities.

A funding review committee (FRC), independent of the EA of the Labrador–Island Transmission Link Project (the Project) being conducted by means of a comprehensive study, was established to assess the funding applications received under Phases I and II of the PFP–AFE for the Project and recommend funding allocations to the applicants.

On September 16, 2010, and October 7, 2010, the FRC met to review the eight applications received by the PFP–AFE, requesting a total of \$976,608.95 to participate in the EA process. The FRC members were Mr. François Boulanger, Regional Director of the Canadian Environmental Assessment Agency's (the Agency) Quebec Office, acting as Committee Chairperson; Mr. Raymond Hawco, Public Policy Consultant; and Mr. Lawrence Coady, Environmental Consultant.

### **BACKGROUND**

Nalcor Energy is proposing the Labrador–Island Transmission Link, a 1,100-kilometre transmission line from Gull Island in central Labrador to Soldiers Pond on the Island of Newfoundland's Avalon Peninsula. The transmission line will interconnect the island portion of the province with the North American electricity system and displace existing generation from the Holyrood Thermal Generating Station with "clean, renewable energy." Key components include:

- A converter station at Gull Island to convert alternating current to direct current;
- a 450-kilovolt transmission line from Gull Island to the Strait of Belle Isle (407 kilometres);
- a cable crossing under the Strait of Belle Isle (27 to 36 kilometres in length depending on specific landing site alternatives);
- a transmission line from the Strait of Belle Isle to Soldiers Pond (approximately 760 kilometres in length depending on corridor options);

- a converter station at Soldiers Pond to convert direct current to alternating current; and
- the likely installation of sea electrodes (with associated transmission lines) at Lake Melville and Conception Bay.

The proposed transmission line will transmit 800 megawatts of power from the Lower Churchill Hydroelectric Generation Project to the Island of Newfoundland with an option to be extended and deliver up to 1,000 megawatts to the Maritime Provinces through a potential Maritime Link.

Project planning and design are currently at a stage of having identified a 2-kilometre wide corridor for most of the on-land portions of the proposed transmission line and a 500-metre wide corridor for the proposed Strait of Belle Isle cable crossings, as well as various alternative corridor segments in particular areas.

The Canadian Environmental Assessment Agency, pursuant to the *Federal Coordination Regulations*, distributed the Project Description to federal authorities to determine federal interest in the Project. This EA was started as a screening on November 24, 2009. On April 14, 2010 as a result of the January 21, 2010 Supreme Court of Canada ruling in *MiningWatch Canada v. Canada* (Minister of Fisheries and Oceans et al.), it was determined that the EA in relation to this project will be continued as a comprehensive study.

As per the *Cabinet Directive on Improving the Performance of the Regulatory System for Major Resource Projects*, this EA has been identified as a major natural resource project.

On March 23, 2009, the proponent, Nalcor Energy, was advised by the Newfoundland and Labrador Minister of Environment and Conservation that an Environmental Impact Statement (EIS) is required under the *Newfoundland and Labrador Environmental Protection Act*. The Project is also subject to the Major Resource Projects Initiative. A cooperative assessment of this project with the provincial EA process is being planned.

On July 21, 2010, notification letters were sent to the identified Aboriginal groups that would potentially participate in the EA process to inform them of the funding that would be made available for Phases I and II of the EA process. Under the PFP-AFE, approved activities for these Phases of the EA could include:

- reviewing and providing comments on a) the draft EIS Guidelines and Scoping Document prior to its release for general public review, and b) the EA process;
- consulting with the federal and provincial governments regarding the EA; and
- reviewing and providing comments on the EIS and the Comprehensive Study Report

## **ELIGIBILITY**

Under the PFP–AFE, funding may be provided to Aboriginal groups to support their input to an EA and/or to support their engagement in consultation activities with the federal government. These activities must be linked to the EA of a proposed project through a comprehensive study, mediation or review panel.

Eligible recipients must plan to engage in Aboriginal consultation activities with the federal government that are linked to the EA of the Project and be able to demonstrate that they meet at least one of the following eligibility criteria:

- have a direct, local interest in the Project, such as a residence in the area, or historical or cultural ties to the area likely to be affected by the Project;
- have community knowledge or Aboriginal traditional knowledge relevant to the EA; or,
- have expert information relevant to the anticipated environmental effects of the Project.

Under the PFP–AFE, applicants can request funding for expenditures related to:

- professional fees;
- staff salaries and benefits;
- travel expenses;
- honoraria for Elders and Chiefs to attend meetings and functions;
- ceremonial offerings related to receiving traditional knowledge;
- administration and reporting;
- other expenses related to local collection and distribution of information;
- office supplies and telephone charges;
- rental of office space and meeting rooms;
- legal fees;
- general media and advertising and promotion; and
- purchase of information material.

The eight applicants were found to be eligible for funding under the PFP–AFE.

## **RATIONALE FOR ALLOCATION**

The FRC were generally pleased with the quality of the applications and noted that their contribution to the EA process could be valuable.

The FRC considerably reduced budgets in consideration of the total available AFE funding being provided for this EA. The FRC recommends that the AFE funding be mainly allocated to professional fees and community consultation expenses, conditional that a revised work plan and budget be provided to the Agency.

## **RECOMMENDATION**

The FRC recommends an allocation of funds totalling \$250,000 to eight applicants to participate in the EA of the Project. Specifically, the FRC recommends that the AFE funding be mainly allocated to professional fees and community consultation expenses, conditional that a revised work plan and budget be provided to the Agency.

## **FUNDING REVIEW COMMITTEE ABORIGINAL FUNDING ENVELOPE—PHASES I AND II**

### **LABRADOR-ISLAND TRANSMISSION LINK PROJECT**

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François Boulanger, Chairperson  
Regional Director of the Canadian Environmental Assessment Agency's Quebec Office

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Raymond Hawco  
Public Policy Consultant

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Lawrence Coady  
Environmental Consultant

**RECOMMENDED PARTICIPANT FUNDING ALLOCATIONS  
LABRADOR-ISLAND TRANSMISSION LINK PROJECT**

<b>Applicant</b>	<b>Total amount approved</b>
NunatuKavut Community Council Inc.	\$60,000
Innu Nation	\$50,000
Conseil des Innu de Pakua Shipi	\$45,000
Première Nation de Unamen Shipu	\$45,000
Fiducie Takuaikan	\$20,000
Nunatsiavut Government	\$10,000
Innu Takuaikan Uashat mak Mani-Utenam	\$10,000
Corporation Nishipiminan	\$10,000
<b>Total</b>	<b>\$250,000</b>