



*“Helping Yukon First Nations prepare for the
Alaska Highway gas pipeline project”*

Learning from the Past – Preparing for the Future

WORKSHOP REPORT

Presented by the Alaska Highway Aboriginal Pipeline Coalition

**February 11 and 12, 2010
Yukon Inn, Whitehorse, Yukon**

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1.0 Introduction and Background

The Alaska Highway Aboriginal Pipeline Coalition (AHAPC) is a non-political, community-based, nonprofit society, constituted in 2004 and based in Whitehorse, Yukon. The AHAPC is comprised of Yukon First Nations who have a vested interest in the proposed gas pipeline project.

The mandate of the AHAPC is to help First Nations prepare for any opportunities that may lead to meaningful engagement with industry and the governments of Yukon and Canada. In matters pertaining to regulatory framework, environmental assessment and socio-economic impacts and benefits, the AHAPC is preparing First Nation citizens and communities for future development opportunities. The AHAPC receives funding, technical and other in-kind support from its industry and government partners.

In April 2007, the AHAPC, in cooperation with industry and Yukon and federal governments partners, delivered a workshop that confirmed support for building capacity among Yukon First Nations through preparedness of the proposed Alaska Highway Gas Pipeline project. This first workshop identified the need for future topic workshops on topics focused on environmental, regulatory and socio-economic issues.

On November 20 and 21, 2007, the first of a series of topic workshops, entitled “Employment, Training, and Business Opportunities Related to the Proposed Alaska Highway Gas Pipeline Project” and in May 2008, an “Environmental Assessment” workshop was held.

In February 11 – 12, 2010, AHAPC hosted “Learning from the Past – Preparing for the Future”.

2.0 Workshop Objectives

The objectives of the workshop were:

1. To inform participants of the many lessons learned by First Nations who have experienced or who have prepared for a pipeline being built on their Traditional Territory;
2. To discuss and evaluate how Yukon First Nations can best prepare for future developments including addressing and mitigating the impacts and capitalizing on the benefits of pipelines during:
 - (i) Planning
 - (ii) Regulatory Process
 - (iii) Construction
 - (iv) Monitoring, aftercare

3.0 Workshop Overview

The two day workshop was designed to provide opportunities for information sharing and knowledge building, as well as prospects for debate, discussion, collaboration and engagement. Approximately thirty six delegates were registered for the workshop, two thirds of which were from Yukon First Nations government and organizations and the remaining one third representing Yukon and federal governments and independent companies.

The workshop opened with an Opening Prayer by Jessie Dawson, Councillor for the Kwanlin Dun First Nation and Welcoming Remarks by Alice McGuire , Director of Ta'an Kwach'an Council. Facilitator and Chair Ruth Massie offered Opening Remarks and the six speakers that followed addressed topics including the wisdom of the elders, training and economic opportunities, and how Aboriginal peoples will participate in the proposed project. The film "Canol: Strange Invasion" was screened at the closing of Day 1.

On day two, participants welcomed Jerry Isaac, Tanana Chiefs Conference, and heard of First Nations perspectives on the impacts of project on communities, proposed stakeholder engagement in the Denali proposal as well as the evolution of monitoring.

Ruth Massie offered thanks and gifts to speakers throughout the workshop as well as door prize draws for participants.

4.0 Day 1 Workshops

4.1 *Wisdom of the Elders - Pearl Keenan and Alex Van Bibber*

Pearl Keenan, Teslin Tlingit Council Elder spoke passionately of the changes on the land and to her community that she has witnessed in her lifetime. From traveling by boat and dog team in the 1930's to car and airplane travel now, much had changed on the water and the land and not for the better. Pearl related the peace of living with nature and working together with the land and her love of hunting and fishing and living off the land.

She conveyed concerns about the pipeline and how it would spoil the land. Pearl expressed fears that First Nations people did not have a say in the gold rush or the building of the Alaska Highway and that they must have a say now. She concluded that any developers must work together with First Nations people "to make the Yukon a better place for the animals and the salmon."

Alex Van Bibber, a Champagne/Aishihik Elder shared stories of his involvement building the North Canol Road pipeline from Norman Wells NWT to Johnson's Crossing during the 1940's. He noted that his father had joined the gold rush, married a First Nations woman and that Alex had been born in Pelly Crossing in 1916. Alex came to Whitehorse in 1942 and helped on the Canol Pipeline project. The job of their survey crew was to make head recognition with the pipeline (10

days ahead and report back to the survey party). Behind them was the American Army building the road, and behind them, a telegraph company.

Alex shared stories of the hardships of doing reconnaissance with dog teams at 50 to 60 below between Mayo and Fort Norman, and living off the land during 42 day treks over 560 miles of bush to Norman Wells. Alex spoke of his work for the refinery building fences around pumping stations from Whitehorse to Beaver Creek. Alex advised the participants that his story is contained in the pamphlet by Pat Ellis, called "Canol Adventures", which is available at Mac's.

4.2 *If You Snooze You Lose – Bob Reid, Orland Hansen and Steve Wilson*

Bob Reid, President of the Mackenzie Valley Aboriginal Pipeline Group (APG) focused on the importance of early engagement in the process and stated "Those who failed to learn from history are doomed to repeat it." He described the Northern gas resources noting that the gas is coming from two large basins in the North: Prudhoe Bay (31 billion cubic feet of proven reserves) - none of that gas is connected to market and the smaller basin in the Mackenzie Delta (9 billion cubic feet of proven reserves in total) with virtually no production and unconnected to the Canadian market.

6 trillion cubic feet of gas is what MVP will access which is enough to supply every home in Canada for 10 years. Bob described the 3 fields in the Delta region, Niglintgak, Taglu and Parsons Lake in two separate pipelines – a 1200 km 30 inch diameter gasline from Inuvik to NWT/Alberta border to connect to current Trans Canada system and a 10 inch liquids line from Inuvik to Norman Wells to Alberta. Both will be buried lines. For comparison sake, he noted that the capacity of the Alaska project is about four times the size of the proposed Mackenzie line, about 1.2 billion cubic feet per day for about \$11.3 billion Canadian dollars.

Bob noted that there will be 600 - 700 watercourses being crossed carefully and indicated that they would be directional drilled to prevent impacts and 100% winter drilled when most are frozen. There will be three years of winter construction. He indicated that unlike the Alaska Highway, which is built and readily available, the construction of roads would be necessary for the Mackenzie Valley.

Bob reviewed the long history of the pipeline from the 70's including Aboriginal rejection of it due to the lack of land claims in place at that time. Berger declared a moratorium in 1978 as Aboriginal communities were not ready and could not benefit.

Bob noted how important it was to pay attention to the opportunities that projects of this magnitude can provide or they will be lost. He highlighted the Enbridge oil line from Norman Wells and how the Dene Nation declined a 10% equity share offer, with no investment, and lost \$9 or 10 million dollars that would have flowed back to the First Nation. No long term benefits accrued to Aboriginals through that pipeline.

BHP, Canada's first diamond mine construction began in 1997 and it opened in 1998. Bob noted that things happen quickly and First Nations must get in early and participate in the approvals process. Diavic (const 2001 open 2003) and DeBeers Snap Lake (construction in 2005 open 2008). The pipeline will be the same once approvals are in place - things move very quickly.

Regarding Northwest Territories, Bob stated that 3 of 4 First Nation regions settled their land claims in 80's and 90's. These settlements resulted in successful investments and joint ventures. In early 2000, the Aboriginal leaders met and reached agreement on a vision to maximize benefits from any MVP before any application was filed (2004). The APG, with strong Aboriginal support and alignment for the pipeline, is the result of that vision. Access and benefits agreements for four out of five First Nation regions are in place.

The structure of APG was reviewed, together with business, negotiations, mandate and agreement on a one-third interest in pipeline. Shareholders include Gwich'in Tribal Council, Inuvialuit Regional Corporation and Sahtu Pipeline Trust – all have a seat on the MGP Board and participate on committees and have a direct voice in development of the project. We are an owner in a multi-billion dollar project.

APG can increase its share beyond one-third on a right of first refusal, with a risk-free loan from TransCanada, which will be repaid from earnings once the pipeline goes into service, plus a forgiven loan if the pipeline does not proceed. We will pay substantial long-term dividends that will create meaningful opportunities for Aboriginal youth in the communities of MacKenzie Valley.

Orland (O.D.) Hansen, Communications, Regulatory and Technical Services
– APG started off by noting that there has been a lot of media play about whether either the Alaska or Mackenzie Valley pipeline are needed because shale gas but he felt that it would be necessary to continually add on new wells to keep production at present level. Canadian natural gas production has declined steady since 2001 and they are declining at 20%.

Orland reviewed detailed stats and graphs, illustrating that both northern pipelines will be required to meet forecasted gas requirements for Canada and North America. He stated that the long regulatory phase has been undertaken, infrastructure is ready and people are trained. The results would be a boost to economic recovery by opening a new petroleum province and legacy infrastructure along with more exploration and jobs, leading to self-sufficiency and independence from Federal programs.

Orland reviewed the approximate APG timeline of the project, noting that the goal was to have a permit to build the pipeline in the fall of 2010. There is still engineering work, new cost estimates to be done and over 7,000 permit applications that need to be dealt with through regulatory bodies in NWT. He stated that he was looking to June of 2013 for a final investment decision to be made, one year development and three years of construction. It is expected that the first gas to flow will be in 2017.

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The Benefits to NWT and the Mackenzie Valley region were reviewed, together with Federal and Territorial Governments. These included:

- \$500 million Social Economic Impact Fund for the Aboriginal regions;
- one billion dollars set aside for work for corridor Aboriginal groups;
- over 7,000 jobs in NWT during construction- 30,000 person years of employment in NWT;
- 100,000 jobs across Canada; 3150 permanent full time positions;
- tax benefits in the billions;
- new Canadian gas supply;
- supports and strengthens Arctic sovereignty;
- catalyst for Arctic offshore exploration;
- natural gas helps displace coal and oil and helps Canada's commitments to reduce greenhouse gas emissions.

Orland concluded by stating that the project had taken a large step towards Aboriginal self-sufficiency and introduced the APG Board of Directors present in the room.

Steve Wilson, President of Raven Resources Consulting and former Chief of the Haisla First Nation profiled the state of the Haisla Nation in Kitimat, BC prior to 2001, noting enormous debt loads and the ad hoc approach to governance and the administration of financial and community affairs. An entire change in the culture has resulted since.

For 20 years the Chief and Council had tried to get an agreement with Alcan but until 1999, were ignored. Steve reviewed the lengthy negotiations of offers and how they were forced to come up with a model that includes 10 principles. The First Nation negotiated an impact benefit agreement that includes setting the standards for employment. The fifty people now working for Alcan are making approximately \$30/hour, contributing to the wellbeing of the community by being employed.

Over the past 30 years, the unemployment rate has been steady at 60 percent. Currently, every agreement the Nation negotiates with any company, they now work with a training and trades component. For example, Alcan pays \$250,000 annually to get youth into the high paying trades and to get basic high school education. We put a lot of emphasis on trades in our agreements.

Additionally, companies provide annual funding to the First Nation for environmental stewardship (\$250,000/year), to look at the effects on fish and wildlife and air quality, plus a biologist training program. Environmental problems are identified before they are permitted. In all agreements, there is a clause that states if there is a spill, the First Nation will do the clean up, with the proponent paying the costs.

Other negotiated benefits to the First Nations citizens include:

- Camp services – a \$200 million dollar contract with a subcontract to manage with ESS Support Services and resulting in other smaller contracts such as auxiliary waste management, water hauling, maintenance etc.;

- A weighted bidding process if First Nation are the only ones who can supply the service;
- A 10% rule negotiated into the bidding process if Haisla can demonstrate that it builds capacity within the First Nation;
- Goal of 15% of procurement contracts with Alcan will result in 45 million dollars yearly. The First Nation has asked Alcan to help them grow their capacity so they can compete from year 15 to year 30 to meet that goal. The First Nation can only handle one contract right now;
- The First Nation has its own tax bylaw and lease arrangements – total revenue potential is \$330 million;
- Share offerings were part of the deal, resulting in 15% ownership in Galveston the parent company that owns Kitimat LMP - they can place 2 people on the Board of Directors.
- The Pacific Trails Pipeline - have acquired a 30% equity share and share tax revenue and involves 15 First Nations;
- Companies have agreed to support language, athletics, culture and education for the First Nation plus paid for negotiation costs so the First Nation could obtain meaningful agreements with the companies;
- Haisla is used as the marine transportation resource, which fits into the mariner history of the First Nation. The value of this is 10 million dollars a year. Master mariner ticket takes four years (Marine Institute), and a citizen was given opportunity.
- After many years, now have high-speed internet in village. Agreements provide that companies will use Haisla communication service once proven;
- For 25 years, the First Nation has been buying gas elsewhere; now they earn \$2400/day on sales from their own gas bar.
- The 10 million dollar legacy trust from Alcan is a recognition of past infringement of rights and title over the past 55 years;
- Power sharing allows ownership of 30% equity in Kitimat Renewable Energy with no risk-taking; First Nation has right to hook into transmission line for a nominal fee and small annual maintenance cost.
- Although the individual trusts may not amount to a lot, it allows participation and assistance with procurements and a range of corporate policies.
- KVIC (Kitimat Valley Institute Corporation) is a private registered and accredited post secondary institution that does trades training and employment readiness. It is owned between Haisla and Alcan – 50/50.
- No funding has been received from government but companies have put money into the employment readiness to give First Nations a chance to compete.

Steve concluded with a question – “Where do you start?” and answered that First Nations have self-government and the ability to create the structure they need to make things work. Money is not the issue; sustainability is and how it impacts land and resources. Land and resources provide the people with food, shelter, clothing, sustenance and wealth. Agreements with companies provide a modern model.

4.3 Questions & Answers

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Bob Reid responded to a question about the size of the Mackenzie Valley Pipeline noting that it was 1200 kilometers long and 30 inches in diameter and that all construction associated with the pipeline would be done in the winter months when the ground was frozen. He noted that winter pipeline construction was a reality in Canada and has been for the last 25 years. A great deal of experience over time has proven that winter construction results in the least impact on the environment, particularly in soils or terrain that is wet, i.e. muskeg in north or the tundra.

In response to a question on what stage Aboriginal groups entered negotiations, it was noted that during the regulatory approval phase pipeline negotiations on access and benefits started – that was at least three years ago and concluded last year. Four out of five agreements are now in place.

When asked how important it was for First Nations to come together to work together, Orland Hansen indicated that it was unique and very important as the results have been very beneficial to Aboriginal groups in NWT.

When asked why no one made any comments on the impacts of climate change and plans to offset effects thereof, Bob Reid responded that climate change has not affected winter construction and that it is being factored into the engineering of the pipeline – the stresses and strain of thawing. Additionally, the pipeline itself will be chilled by compressor station chillers and stabilized in areas of discontinuous permafrost along the line. When further queried about these methods not being proven, Bob responded that results over the last 20 years in northern Alberta speak for themselves with no incidents. All changes have fallen within design tolerance experience in pipeline construction in both continuous and discontinuous permafrost.

When asked about contiguous permafrost, Orland noted that construction would be over the winter on tundra and that other lines have been running for 10 years with no problems even though the distances are short and the pipe of smaller diameter. This is an example of the integrity of the line. Bob observed that in Inuvik, the design has been satisfactory with no failure or incidents.

When asked what is the expected lifetime of actual use of the pipeline and what are you going to do when it is not required any more, Bob responded that the anticipated reserves were for 25 years, the physical life is infinite if properly maintained and methodically checked. When it is no longer needed it could be very disruptive to dig it up, purge the gas, fill the line with inert nitrogen, cap it or leave it there and continue to methodically protect it.

4.4 TransCanada Pipelines Ltd. Project Update – Dan Begley

Dan indicated that TransCanada and Exxon Mobil are going to the market with both proposals in open season this year, that is, the shorter pipeline between Prudhoe Bay and Valdez and the second is the traditional transcontinental pipeline down the Alaska Highway through the rest of Alaska, Yukon northern B.C. to tie into Alberta

system. He noted that an excess of 30 years has been put into the Alaska Highway (Alberta) option.

The project involves 11 compressor stations and metering stations, storage yards and temporary facilities. He reviewed the key dates regarding licensing permitting agreements including:

- June 2009 joint project agreement signed with ExxonMobil;
- Comprehensive field data collection to occur in 2010/2011.
- Construction over two years 2016, winter and summer simultaneous construction.

Dan reviewed the historical aspects of the formation of the *Northern Pipeline Act*, including regulatory aspects and the use of the Act by Foothills. He noted that the focus on community engagement will be stepped up in 2010, and encouraged communities to invite them to make a presentation. The project has a new office located at 3rd and Hawkins, staffed by Patti Balsillie.

Regarding First Nations engagement, Dan stated that there is an obligation to engage with all First Nations, with the present focus on dealing with issues and concerns of the right-of-way First Nations by way of seeking participation agreements. Much of the relationship with First Nations is already in place. There is the potential for nine tables, and presently, four are underway. They are seeking assistance in First Nations engagement with respect to traditional land use and traditional knowledge. First Nations that wish to register as commercial bidders can access the website or visit their new office in Whitehorse.

4.5 *Where's the Beef? – Tony Delia, Alex MacDonald and Jennifer Russell*

Tony Delia with Employment/Training, Tanana Chiefs Conference Alaska profiled his region and clientele, noting that there are 42 villages in their region which covers 235,000 square miles, only seven villages accessible by road. The challenges of training in the region are numerous including transportation costs, a difficult environment (cold), economic problems (up to 90% unemployment) and educational challenges.

He stated that the Trans Alaska Pipeline System is worth \$24 billion in 2004 dollars and it employed 21,000 people, mostly from Outside during construction. He noted that they don't want to repeat that pattern with any new pipeline as Alaskans need these new jobs. Big projects empty out all the other jobs creating a huge vacuum effect – restaurants, small businesses etc. 9300 jobs are anticipated to come in Alaska from the pipeline. He noted that there will be a perfect storm with a host of large projects taking off at the same time resulting in huge personnel shortages and they want to be ready.

Tony noted the programs that they own include:

- core drilling program started past year;
- survey program – partnership with Denali and Teamsters;
- archaeological aid training - partnership with the Army;

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- roustabout training is being revised as it is entry level – moving from entry level to apprenticeships);
- plumbers and pipefitters –plans to get school started in Alaska.

The goal of his training programs is to get tribal members into these apprenticeship programs and to stop reliance on entitlement payments or relatives but rely on personal skills instead. We can help people that rely on their skills first. Women can get into these crafts as well.

Other training that Tanana Chiefs provides is Operating & Engineering Apprentice program to be held in one of the villages, firefighting, computer training (partnership with the Department of Labour) and certified Nursing Assistant. He noted that they don't send people away that don't qualify for apprenticeship training and offer additional classes. He noted a list of challenges – lack of drivers license, drug testing, certification, computer testing, GED, travel, English and Math. The plumbers and pipefitters hold extra classes to help students with math.

All the programs require GED as a first step and this is done in the villages. The Summer Youth Program is being extended and will have 122 students attend this summer. Future projects were reviewed including the creation of Centres of Excellence in specific villages.

Tony indicated that all the Tanana Chiefs programs have 100 percent completion rate. As a result, they have cut social services payments in half and this tells them the programme is working. They are looking for career-oriented people versus people looking for a job. The First Nation does the recruiting, screening, drug testing and career counseling – all part of the success and performance. Every tribe member is registered with state system database to track work, training and careers. They now have seven on staff, up from three as well as a website that has resources and contracting partnerships.

Tony concluded that his training programme is preparing not just for the oil and gas sector but for work in government, mining and construction as the skills areas are transferable. A lot of retired people in the villages are drawing good pensions from their work on the first pipeline in the 70's.

Alex MacDonald from Local 170 Plumbers & Pipefitters Union is the Assistant Business Manager, business agent and pipeline representative for northern B.C. Yukon Territory and NWT. Alex reviewed the training programs including working cooperatively with a range of Band members including Treaty 8 bands in B.C.

Local 170 has a training centre located in Fort St. John and the Lower Mainland and both are accredited to Red Seal standards for plumbing, steamfitting and welding. This includes pipeline helper training. They are coordinating through partnerships with Aboriginal communities and the trades of plumbing, steamfitting and piping with over 30 First Nations throughout BC.

Alex indicated that Local 170 Plumbers & Pipefitters Union commitment to the Aboriginal people in BC, the Yukon and NWT is to working with contractors and

clients to ensure that Aboriginals those hold trade qualifications pertaining to the pipe industry and who become members of 170 are provided with employment with contracts B.C. Yukon and NWT.

Alex concluded by playing a UA CD that included a joint venture training program with the Fort St. John, McLeod Lake Band, Skeena First Nation, UA & Summit Pipelines.

Jennifer Russell, Training Manager of the Yukon Mine Training Association profiled training opportunities available through her organization, noting that the training is not only for mining but resource-related industries. Their goal is to meet industry needs now and into the future working with First Nations and industry. She reviewed the training statistics from 2008/2009, noting the progress made.

YMTA partners with industry will develop targeted training programs and provides funding support for training as well as a First Nations wage subsidy program to provide an incentive to hire local First Nations. Community based services are offered in Teslin, Watson Lake and Carmacks.

Specific project highlights included:

- Underground mine training program in partnership with Liard First Nation and North American Tungsten's Cantung Mine with six successful Kaska graduates, two working underground currently, and the others are looking forward to working with Cantung when it reopens;
- Youth in Mining - eight youth job-shadowed at the Minto minesite for four weeks, funded by Selkirk First Nation;
- Three Heavy Equipment Operator simulator sessions (Dawson and 2 in Whitehorse) with three pieces of equipment with 23 graduates;
- 21-day Youth Field Course in Environmental Management course in partnership with Ross River Dena Council introduced youth to environmental monitoring;
- Selkirk First Nation Exploration training program, conducted on their traditional territory trained eight individuals in soil sampling, camp set up, geophysical work etc.;
- Partnered with Teslin Tlingit Council to fund one person to take the carbon steel welding (UA 170) in Fort St. John, BC;
- Standards development and curriculum development;
- Underground mine training programme at Elsa (Alexco Keno Hill partnership) – 12 individuals with employment opportunities at end;
- Mastering Aboriginal Inclusion workshop will be run in spring 2010.

Jennifer noted the major funders for YMTA: Aboriginal Skills & Employment Partnership Program, Northern Strategies, Yukon Workers' Compensation Health & Safety Board and Community Adjustment Funding. She concluded by introducing the YMTA team and indicating that the YMTA is working to make its website more user-friendly.

4.6 What Works – What Doesn't

Robert Metcs of Havlik Metcs Consulting Group was unable to attend and his presentation was delivered by **Florian Lemphers of FSL Management Consulting**. Florian presented an equity participation model for First Nation participation on projects. He observed that many First Nations have not been able to exploit unique economic development opportunities to attract capital. He noted that many First Nations lack the financial resources to attract capital and partners. It is more advantageous to view First Nations as business partners not adversaries in a courtroom.

First Nations risk is a separate and distinct category of risk in Canada when developing projects. It is recognized as a potential cost. The earlier on First Nations get involved in a project with participatory work the better it is for business (reduction in costs, more economic value to the project) and the better it is for First Nations (able to invest in the project on favourable terms) and better it is for governments.

Florian reviewed the basic model. Proponents have a strong incentive to deal with all costs and risks. First Nations can be viewed as impediments or business partners. The formula for partnership brings benefits as it reduces risk and offsets costs early on in the business process. The economic value to the project rises when proponents and FN work together and provides investment in favourable terms for both.

The model proposes that FN receive an “option” by the proponent before the project receives regulatory approval and the FN can exercise that option to convert into equity or ownership of the project once the project receives approval. An example is the Mackenzie Valley Pipeline Aboriginal group option for a loan from TransCanada. An option forces nothing; it can be dropped.

All First Nations have an equal shot at the option and ability to convert to equity, with the remainder being distributed among the remaining First Nations. This allows a First Nation to attract capital before regulatory approval, at a time when the project is still unsure and before it is more likely to go forward.

Florian noted that the model separates business as well as legal/political considerations. The offer of equity is governed by business considerations based on the “deal” itself. Consultation and accommodation are government responsibilities as are legal treaty obligations and they are not part of the business discussion. If you mix the two you will end up in deadlock. A First Nation accepting an option does not mean that they or anyone else approves or accepts the project prior to regulatory approval. First Nations do not waive their Constitutional right by exercising their options.

The model sets up a limited partnership among a group of First Nations. The FN, however, do not have to agree on a common approach on consultation and accommodation as the legal and political aspects are separate from the business deal. Legal or political differences between First Nation need not be settled prior to working together in a limited partnership.

Florian asked – ‘What is in it for First Nations?’ The deal ensures significant, reliable and long-term benefits to all First Nations from major economic development projects in their traditional territory. It separates out business and politics. It allows First Nations to engage in a true cost benefit analysis independent of legal and political strings.

For industry, this agreement reduces FN risk and increases probability of making it through the regulatory process. It recognizes that there is no certainty prior to project approval – it defers the question. It allows for a more constructive and stable long-relationship with First Nations. Investors will profit and the proponent will find it easier to arrange financing and sources of capital. Governments benefit as well due to the stability of relationships as it is a market-based solution to increasing First Nations independence and economic development.

Florian concluded that this model offers a way of thinking about the various practices and arrangements that exist in Alaska, BC and the MacKenzie Valley. Chair Ruth Massie indicated that she will e-mail Robert Metcs, requesting he simplify his presentation and provide more examples.

4.7 Questions and Answers

Chair Massie started the discussion by asking what the key factors to ensuring you select the right partners in training. Tony responded that having a good staff and young people to train that have the drive and motivation to succeed was key to his 100 per cent completion rate. Jennifer responded that finding a mutual beneficial programme for all of the partners involved that is industry-driven and community-based was key.

Chair Massie asked who the YMTA partners were and what its annual budget was. Jennifer indicated that any First Nation in northern B.C. and Yukon, but that 11 were at the board table - half industry and half First Nation representatives including Vuntut Gwitchin First Nation, Little Salmon Carmacks First Nation and Ta’an Kwachán Council. She noted that Selkirk First Nation is not on the Board but they apply for funding and that is how partnerships are developed - through training initiatives. The budget is over four years and YMTA has received \$9 million dollars from the Aboriginal Skills and Employment program , but that contribution is actually worth \$18 million YMTA can fund up to 50% of costs with the other half from First Nations or industry.

When asked whether there had been consideration for a name change from “Yukon Mine training” to “Yukon Resource Training”, Jennifer responded that YMTA has talked about changing the name but it would be costly. YMTA has funding commitments to 2012 after which a name change may be considered. Further questions regarding the name and requests to meet with the Board were referred to YMTA Executive Director, Tracy Thomas.

Jennifer was asked to describe the Mastering Aboriginal Inclusion Workshop and she indicated that it was delivered by the Aboriginal Resource Council of Canada

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and was a five-module program that introduces industry to the business case for including Aboriginals in the workforce.

Chief Eddie Skookum asked YMTA what is the percentage they wanted to achieve over the next four years in training in mining. He noted that he is looking at a whole host training opportunities that can be achieved together, not just a select few. Jennifer responded that YMTA is proposal driven and that it could offer assistance to FN and help them partner with industry. YMTA also works in communities and can meet with you there. She noted the nature of partnership between industry, First Nations and YMTA.

Chief Skookum asked who will pay for the environmental mishaps that will happen. He noted that Little Salmon cares for food staples along the river system. The inclusion copper and chemicals have an affect and tourism guiding operations, Yukoners, First Nations affected, as well as anyone else interested in keeping Yukon clean for future generations. These hard questions must be addressed. No one responded to this comment.

Chair Ruth Massie asked if Tony would share his programs with other regions and Tony indicated yes. Regarding accepting students from other countries, only those individuals with dual citizenship can be trained in Alaska region but it may be overcome with joint partnerships with international organizations and unions like the pipefitters.

Grand Chief Andy Carvill provided some historical context on the evolution of YMTA and noted how all Yukon First Nations could work together to learn lessons from the Tanana Chiefs Conference and others. He noted that he was hearing that there may be a lack of communication between YMTA, CYFN, First Nations and what is needed in the communities. If a pipeline comes through Yukon as many believe it will – then Yukon First Nations have to go to Tanana and other regions to open up communications and see what's needed.

A final series of questions by Roberta Kufeldt included: Does YMTA have list of resource-related industries that First Nations can focus on long-term? Also, where is the wage subsidy coming from? What is YMTA an association of?

Jennifer Russell of YMTA indicated that for the wage subsidy program, it's a First Nation wage subsidy program. Industry or businesses can apply for funding to hire a First Nation with individual needs for on the job training. Regarding wage subsidy, the YMTA can provide an 80% reimbursement if the person is new to the position and it can provide a mentor honorarium of \$500 a week to help with training. As skills increase, wage subsidy levels are reduced. The subsidy is a one year term.

Jennifer stated that YMTA is a non profit organization started in July 2008. Funding comes from HRSDC, YG, WCB and INAC. Funding runs until March 31, 2012.

4.8 Aboriginal Participation in the Review Process

Gary Alexcie, hereditary chief of the Nisga'a nation and currently an Environmental Resource Management Consultant and Treaty Advisor to First Nations stated that it is very important for First Nations to participate in the decision-making process. Gary reviewed the legal processes required by law for Aboriginal participation in the pipeline review process. He noted that since *CEAA* was passed in 1993, it is *CEAA*'s responsibility to consult with every First Nation where major projects are happening in their territory to prevent any infringement of rights and titles.

With infringements, benefits and amendments must be made to the treaty or negotiation process. If a proponent wants to develop a project in your territory they must consider what is best for the First Nation and must work with that First Nation. The First Nation will guide their decisions.

He has developed a toolkit most B.C. First Nations use in discussions with *CEAA* and other proponents. This kit helps BC First Nations engage in the *CEAA* process. Gary listed the projects his First Nation and others around them are working on and indicated that all of them belong to the Northwest Tribal Treaty Group. No one in the Northwest Tribal Treaty Group wants to litigate but to share experiences and expertise. This includes having conducted traditional use studies to prove the existence of First Nations historically in those areas. This is to ensure the protection of moose and deer corridors.

His First Nation has developed a framework agreement with BC Hydro to negotiate any impacts that may interfere with their fundamental rights as a First Nation. The proponent has to put up the money for consultation, to assist with the First Nations legal ability to respond and must accommodate any impacts.

Gary noted that it was important for First Nations follow the *CEAA* and *EAA* process and involve the community through referendum or information sessions in order to make good decisions. He noted traditional territory at the mouth of the Skeena River where they have camps to hunt seal, salmon, halibut, crab, shrimp and prawns. This is a biodiversity conservation area. In 2008/2009, the Province of British Columbia recognized the First Nation's land use plans and recognized the biodiversity through the North Coast NRLP. They deal directly government to government to develop these plans. On Jan 15, 2009 the plans were passed.

Currently, the EA process helps develop strategy and assists with decision-making processes in the immediate and expanded areas where the EA process will have an impact. Governments deal directly with the First Nation and in confidence. Certain areas are kept strictly for practicing Aboriginal rights and title activities.

Enbridge is looking at the port of Kitimat - we are neighbouring First Nation but the pipeline will have a huge impact on his traditional territory if something should happen in transport. They are requesting what precautions are being taken to protect ocean territorial rights. As a result, Enbridge is going to reduce the size of the ships due to the wash on the beaches. Through the *CEAA* process, the First Nation became part of the community advisory board meetings to ensure all

necessary studies and meaningful consultations are undertaken. These costs are covered by CEAA and Enbridge.

Gary closed by noting how important it was to include capacity building and business entity development in agreements and to include training. His First Nation want meaningful consultation and a real say in all projects. He indicated that he has a First Nation assessment technical working group tool used by First Nations in British Columbia. It was left with the front desk (hard copy and CD).

4.9 Denali– Pipeline Risk Assessment

Marie Mislán, Deputy Project Manager for Denali Pipelines provided a short overview of the proposed Alaska Gas Pipeline noting that BP and Conoco Phillips joined to form the company, Denali. She provided an overview map of oil and gas fields and the proposed line, Denali pipeline through the North Slope into Yukon and ending in Alberta. She indicated that the gas pipeline would be buried and that impurities are taken out in a gas treatment plant (planned for the Prudhoe Bay area), which will be the largest in the world. The gas would be chilled to go through the permafrost until partway into Canada. She noted the regulatory framework in the U.S. (FERC) and Canada (NEB) and stated that no proponent has an exclusive right to build the pipeline.

Marie stated that on their team, they have people who worked on the first rendition of the Alaska Highway Pipeline, so a lot of experience and historical data is available. Field data gathering programs occurred in Alaska and Canada in 2008 and 2009. She indicated that they are trying to get to 'open season' later in 2010 but are in the planning phase. If the pipeline is built, other companies will explore and develop other gas projects. Denali is not yet finished the first phase whereas Mackenzie Valley is at the third phase.

Marie noted that five factors are considered with decision-making for sustainable projects: safety, technical, cost, environment, and community. By definition, the project will have an environmental impact but the goal of her work is to minimize that impact. For example, Marie discussed MacKenzie Gas project at Parsons Lake, showing how technical circumstances influenced the design. In order to bring gas from the south to the north through the permafrost, the line could not be buried because the gas had water in it and would freeze if buried. The community wanted the Parsons Lake parcel reduced due to caribou hunting in the area. The result was the project was reduced from 20 hectares to 15 hectares and the pipeline route was moved to avoid the caribou.

In closing Marie stated that she is looking forward to Phase 2 when more details are obtained and more conversation can be started. Work on the Alaska Highway Pipeline is just beginning and more information will be available once open season closes.

5.0 Questions and Answers

Jessie Dawson asked if Marie was considering equity for First Nations on the pipeline project. Marie responded that this was not her area. Doug Reti indicated that it was a consideration at this stage but it was still too early. Jessie also asked whether First Nations have a say on compressor station locations on traditional territories. Marie indicated that technical considerations drive that process but that the company will come to First Nations to talk about the route. Jessie's final question was "Who will own the tap for gas distribution in Whitehorse?" Marie responded that she knew that there were provisions for a tap, but that Denali would only enable a tap into the pipeline, and then, another company would have to come in to build the line from the Denali Pipeline to distribute the gas.

Steve Wilson asked how Denali would engage First Nations in their process. Marie deferred to Doug Reti, who would speak on Day 2 and stated that Denali's intention was to engage communities in all five stages.

Jerry Isaac asked why ConocoPhillips, a gas producer, wanted to become a transporter. Marie indicated that ConocoPhillips does build pipelines and has experience in operating and maintaining pipelines. Jerry pointed out the potential for monopoly of being both a supplier of gas and a proponent of the pipeline. Marie was not sure how to answer that question and claimed that Denali was independent. Chair Ruth requested that the question be answered by Doug Reti on Day 2.

Roberta Kufeldt asked "What was the usual length that gas can travel between pressure stations". Marie responded that there was no typical distance, but in general Denali pipeline compressor stations would occur about every 200 kilometres roughly. The topography of the land dictated the distance (hills vs flat).

Day 2

5.0 Day 2 Workshops

5.0 Honourable Guest Speaker – Jerry Isaac, Tanana Chiefs Conference

Honourable Guest Speaker – Jerry Isaac of the Tanana Chiefs Conference

was the first speaker of Day 2 of the workshop and described the impacts and concerns of the Trans Alaska oil pipeline and the Alaska Highway pipeline. He indicated that at that time of the first pipeline, there was no early engagement with, or coordinated effort by, the Aboriginal groups in Alaska to capitalize on these opportunities. Today – 35 years later – he felt that communication and dialogue is still missing between the First Nations and the tribal councils in Alaska. He stated that this is defeat by division as each is too locally focused to pay attention to consultation and cooperation.

Jerry reviewed the very complicated system of First Nation government and shareholder structure in Alaska. In Alaska, industry meets separately with various groups, stating different things from meeting-to-meeting. He indicated that industry wants to submit plans for endorsement when the plan is already “cast in concrete”. Industry also considers a one year study to be “comprehensive”.

To combat this tendency, First Nations must become early participants but are faced by many challenges. One challenge is that the Alaska Native Leadership does not think “globally” and are not prepared when development occurs. He agreed with Bob Reid that a pipeline project will move very fast and that First Nations must be ready.

Jerry stated that there had to be a way landless and moneyless tribes could find a way to value what they may own. Jerry gave an example of how with zero dollars, they incurred \$200,000 in debt and leveraged a \$2.7 million dollar contract. He noted the need to master this kind of thinking to benefit from major developments like the Alaska Highway pipeline project. With cooperation and partnerships, First Nations can build a track record, reduce opposition, increase respect, enhance bond capacity and build capital value in business.

He stated that whether or not it was wanted, the extraction of oil, gas and minerals will continue to occur. Early intervention will result in positive impacts including jobs and developing skill sets that cover other many industries.

Jerry described what happens when there is a lot of money flowing from a pipeline project. He conveyed his own experience as a 21 year old and wished he had used his money wisely to set up his life. He stated the need to make social plans as more

money will result in social issues such as abuse, divorce, domestic violence and child neglect.

Jerry concluded that the big monies are in contracts, and he encouraged First Nations to go after them. Pro or con, development is here to stay, just like the Alaska Highway.

5.1 First Nations' Perspective on Project Impacts on Communities

James Ross, former leader of the Tetlin Gwich'in in Fort McPherson, NWT and President of Thunder Hydrovac Inc commented on the historical impacts of projects related to pipelines in NWT. He summarized the Justice Tom Berger review of the Arctic gas pipeline project and the opportunity the First Nations were given in every community to provide their voice for the first time ever. No one had listened to his communities and people were shocked that white people wanted to listen to them. The Berger report came out in 1977 and it marked the first time in industrial history that the Natives won. The result was a 10 year moratorium on the project and recognition that First Nations needed to resolve their land claims first.

The same issues were present in 1984, when a second pipeline was on the drawing board. There were lots of hard feelings but it was approved. The Norman Wells pipeline construction was delayed by about 17 months to give the Natives a chance to get ready. Indian Affairs provided First Nations with a \$21 million dollar fund because the First Nations rose up, went to Ottawa and met with the Minister and let him know that they could stop the pipeline again. James referred to the report "*Norman Wells Impact Funding – Boom or Bust*" done by Professor William Reese UBC for participants who might be interested. James noted that it took 12-to-18 months to get the funding that First Nations had hoped to use for training because the bureaucrats did not know how to flow the funds. The pipeline was already being built once the money started to flow.

The pipeline pumped approximately 33,000 barrels a day at its peak and both Imperial Oil and Foothills Pipeline (Enbridge) have done well. What has been learned from that pipeline is that industry has come a long way in terms of technology. In Fort Simpson, however, the lesson for the Decho is that they got nothing from that pipeline and they are the only holdout First Nation on the Aboriginal Pipeline Group for the Mackenzie Valley pipeline. Chief Jim Antoine says it is not that they don't support it but that they want to see more than pennies.

In another example, Jim noted that the community of Tulita upstream from Norman Wells and impacted by it, received very little from the project but has learned from their experience. James' message today was - It is easy to list all of the ills First Nations have lived through in history. The fact is First Nations are still here; they have never been defeated and are on the contrary, are rising. There is a lot of hope for the future.

James provided a powerful example of how his First Nation got a \$1.5 million dollars contribution from Indian Affairs specific for a joint venture drilling company deal with Imperial Oil. James helped build a \$5 million dollar company started with

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one drilling rig and two service rigs that was 50/50 owned with Imperial Oil and two First Nations. The business started in July 1983, the first time Aboriginal group did a joint venture with multi-national company like Imperial Oil. James was criticized for his role in the project, but today, 26 years later, Shehtah Drilling is alive and well and owned 51% by Dene of NWT and 49% by Neighbors Drilling, the world's largest drilling company.

James indicated that if First Nations are truly going to learn from the past, then they must recognize that the First Nations are here to stay and now have some legal and Constitutional protection. Yukon First Nations have done their land claims and have the power to utilize it. If you read the fine print in the land claims, a preamble clause states that if any other legislation that comes into conflict with this legislation, the land claim legislation will prevail. The best time to negotiate is now, because if industry wants to see a project go forward they will. Industry and government have learned from Justice Berger and will do everything they can to "wiggle" their way through. James' advice – you have a chance to make this project a win-win project and you need to prepare yourself!

Industry and government have done their homework and know what they need to do to get the project through. First Nations are up against the fact that they have a very small population to take on the likes of Exxon and government. Yukon First Nation strengths are that there are nine affected First Nations in Yukon and some have settled and some have not. The strength will be whether all nine First Nations can sit in a room together and come up with a strategy for taking up this project for this one chance to benefit. He advised Yukon First Nations to not fall into the "divide and conquer" trap.

James related the personal challenges and social issues he has faced and observed that when the project has come and gone, you will remain in the community. His advice is to put the politics aside and work together because First Nations are the only ones who can say "Made in Canada".

James pointed to information on the internet for use as a model. He suggested looking at Norway Petroleum Agreements, Botswana Mining Agreements, Raglan Mining Agreement for northern Quebec and other agreements including the Gwaii Trust. He recommended research on the three phases to the contract: prophase, building phase and after phase. He urged First Nations to forget the construction phase as it is all unionized and they have few First Nations. Alternatively, partner with the unionized construction companies. He advised all to remember that First Nations want to be the ones holding the contract.

He urged First Nations to take out ads and create Request For Proposals to create joint ventures with companies in construction, catering and environmental services. He suggested that First Nations get the list of projects that they will require from TransCanada. He further urged that First Nations all set a policy that any companies working on your traditional territory be 51% locally owned. He indicated that the biggest problem between First Nations is that they don't share information. He

concluded that while he was a residential school survivor he was also a businessman.

Questions and Answers

Questions included when James would be back next (next month) and whether Jerry's regional corporation provided dividends each year. He responded that dividends were offered when profits were made at about \$4 – 5 per share. He also volunteered that it is difficult for corporations to work together with Tribal Councils as they are completely foreign to one another and that there is much work to be done regarding business propositions.

5.2 AHAPC Guidelines Project Update

Timothy Cant of Duu Chuu Management Consultants provided an AHAPC Guidelines Project Update. He noted he was hired by AHAPC a number of months ago to take some guideline documents to the communities on the pipeline corridor. He noted that Chiefs along the Alaska Highway were being approached by their members regarding economic opportunities, environmental concerns, involvement and what would happen to their communities, people and culture.

As a result, four years ago, application was made to the Federal Government for support for this project. This project, he noted, has four phases:

- planning and project design in discussion with the AHAPC Board;
- determined topics including consultation, participation and the environment and development of draft guidelines documents by legal counsel (Daryn Leas and Brian MacDonald);
- reviewing the documents with the communities in order to obtain feedback, including a second visit in some cases and document production by legal counsel, including concerns;
- document production – useful tools to help the communities.

Tim visited every community and made a presentation, however, only five communities were visited a second time because of capacity issues. The first visit was with Chief and Council and second was with technicians. This phase has been completed.

This project finishes March 31, 2010. The last phase of document production will occur including a review by legal counsel. Once that is completed, the Board will have final review, and then the documents will be posted on the website. Tim's contract was to consult with First Nations on the pipeline corridor; however, all communities will have access once the documents are posted.

Caveats are included at the beginning of the document text regarding not reflecting Yukon First Nations' positions and the autonomy of individual First Nations. Timothy reviewed the communities that have been visited and the three AHAPC guides including:

- I. ***Guide to Establishing Respectful Relationships with Yukon First Nations on the Alaska Pipeline Project.*** This is a consultation package and allows First Nation to prepare for consultation with government or proponent. Industry does not have the duty to consult but government does. This work will enable First Nations to set up a model for meaningful engagement including roles and responsibilities.
- II. ***Guide to Developing Participation agreements with Yukon First Nations on the Alaska Pipeline Project.*** A step-by-step template that can be adapted to the needs of First Nation. The guidelines document reviews economic development opportunities and is applicable to any development project that will affect Yukon First Nation communities.
- III. ***Guide to Yukon First Nations Participation in the Environmental Assessment of the Alaska Pipeline Project.*** This is a guide to key components of the regulatory and public review. It identifies the role of First Nations in data and technical review and comment period. It offers solutions to capacity issues.

Tim note that a fourth document was developed for industry proponents: ***Consulting with Yukon First Nation Communities in the Yukon: a Respectful Process for Oil and Gas Industry.*** This document is designed to help industry understand who the First Nations are, cultures and clans, demographics within the communities, overview of Yukon First Nation history, what “traditional territories” mean, a map of the traditional territories and languages, agreements and their legal status; a conclusion and contact information.

Tim concluded that he felt these were useful and helpful documents and that the communities visited were glad to have them; it is hoped that they will assist each of the communities. He noted the need for experience of persons like James Ross and others.

Questions and Answers

There were no questions.

Over lunch, Wayne Price chief carver on the canoe project for Sun Dog Studios invited participants to visit Sundog Studio to see the artists’ work.

5.3 Denali Pipeline – Project Update

Doug Reti Stakeholder Engagement Coordinator of the Denali Pipeline project provided an update over lunch. He provided some context on his history as an RCMP noting that he knows what it is like for communities to go from poverty to boom overnight. His role now is ensuring that First Nations are well informed about the Denali project and have the capacity to be so informed, participate in a meaningful way on the project and ensure that the company hears their concerns.

Doug reviewed presentations at the workshop and how they are helpful in revealing actual real partnerships with tangible benefits to the communities. He noted that Pearl's relationship with the land, like many First Nation Elders, is a reciprocal relationship with the land and that partnerships have to be mutually beneficial between First Nations and companies. He observed the changing culture of an organization so they see the benefits and importance of meaningful partnerships and working together, not forcing a relationship because of court decisions.

He noted that the pipeline project is at a critical juncture in terms of "open season". Denali has been quite active over 2009 and the bulk of work in developing a cost estimate with \$130 million dollars spent to date in Alaska and Canada. He stated that there is a small Canadian team of about 20 located in Calgary, mostly designers and engineers.

First Nations have participated in some field gathering for the project to date, including "pinch point" challenges at various locations including Kluane Lake crossing, Marsh Lake area and Takhini Hot Springs. He noted that Denali wants to understand all the options and concerns, plus look at technical issues, before speaking to the community about options.

Over the winter, Denali looked at stream crossings that would be typical along the route, including feeding some data into the cost analysis. Denali has sat down with some communities to see how they would like to see the traditional knowledge program unfold and what community expectations are. There is a huge capacity challenge in many First Nation Land and Resources Departments with some gaps including regulations and policy development. He indicated that there needs to be a protocol vis-à-vis TLU and TK.

Regarding applying for regulatory authority, Denali applied for a permit through one First Nation to better understand its process and the interface with the Yukon territorial regulatory regime. Contractors that represent Denali who are coming to the Yukon need to understand the First Nation territory they are coming into, together with background and the need to treat First Nations with respect and how to conduct themselves. Cross-cultural awareness and training is now equated on the same level as safety. It is important that contractors understand that they are dealing with governments in the Yukon.

Doug stated that Denali has done extensive stakeholder engagement and has visited every community on the corridor in the Yukon and B.C. They have been discussing cooperation agreements that define the relationship they will have in the future and the pace they want to move at with the communities. These agreements are at varying levels with each community particularly as communities do not have the capacity to keep meeting. First Nations in Alaska, Yukon and B.C. have a unique relationship history with industry and the APC is being looked to in terms of providing guidance.

Doug presented a flow chart of project risks to the shippers/resource owners including price uncertainty, fiscal terms with Alaska and legal status of various sites. The pipeline company has regulation issues, an increase in costs of materials and construction, plus financing of the pipeline. He reviewed the timeline for Open Season, commencing in April 2010 (90 days) and its purpose to confirm shipper's

interest. At this stage, things are binding, i.e. a filing with FERC, but before that it is more informal. The end of October 2010 is a critical juncture as Denali should know whether they have a project or not.

Regarding the question posed the previous day regarding how a producer could also build a pipeline and the potential for monopoly that created, Doug explained that in his opinion it is not really a monopoly as FERC and NEB govern the process to ensure that a monopoly does not happen. Denali was created by the two partners who felt it was better positioned to monetize the gas in the interest of the shippers on their own.

The other question was with respect to engagement and Denali has been active since April 2008. One of the challenges is some communities feel moving too quickly; others feel they are not moving quickly enough.

Questions and Answers

Steve Wilson noted his perspective and experience with Kitimat LNG project and then the Pacific Trails pipeline, when Galveston went to the market to get money, nobody would sign on if they didn't have certainty that the First Nations were behind the project. He asked if Denali is facing similar risks. Doug responded that human dynamics are always changing and Denali recognizes that this is a risk where the pipeline crosses First Nations are the governing authority. Cooperation agreements are starting to scope this out as well as things like revenue including equity, royalties and taxes. Steve added that in the start, his First Nation was very adversarial and very frank but this helped us in the end. It was a very long process but he sees a lot of good opportunities to develop long-term relationships. Doug agreed that there would be some dancing and chaos before finding a way forward. He stated that Denali is not there yet and these challenges will arise.

Alice McGuire asked that if Denali loses the competition and whether they would partner with TransCanada in regards to entering into a partnership, should Denali lose this project. Doug indicated that he does not know but that there will only be one pipeline built and that the completion of open season would be in everyone's best interest.

5.4 That was Then ... This is Now – The Evolution of Community Engagement Regarding Pipeline Development

Speaking as a private citizen, **Dan Begley** shared what he has learned with engaging communities on behalf of major projects. He spoke of the purpose of community engagement, to inform, dialogue and facilitate community participation. He uses the word "engagement" to separate it from Crown "consultation" which he referred to as big "C" consultation.

Dan noted that the proponent wants to involve the community regarding what they plan to do and where, when and how they propose to do it. They also want guidance on impact management and mitigation from the community as well as project benefit delivery. All this requires dialogue and discussion within the community on how to manage the issues and challenges. The goal is to get the community on side in the advancement of project development.

He noted the challenges between proponent and the First Nations include:

- Proponent has a schedule and an obsession with time, whereas things that have value today have value tomorrow for First Nations, not fixated on rigid time schedules. This difference can cause conflict as the First Nations feel pushed. A solution is for the proponent to build in more time for engagement and discussion.
- Proponent focus is on development and on change and on technological advancement and First Nations' focus is on the preservation of a way of life and conservation.
- Proponent has a competitive top-down decision-making process; First Nations have a consensus decision-making process and an emphasis on what is good for the community.

Regarding pitfalls and mistakes Dan indicated the following:

- not taking time to develop a respectful, trust-based relationship with the community that responds to its needs;
- information overload;
- insensitive messaging;
- not listening;
- Lack of follow-up and documentation creates a one-way street. The old process for proponents was "submit and defend" a proposal

Dan reviewed the evolution of the role of the First Nations and stated that there are three teams in the proposal process – the proponent, the regulator and the intervener. In the old days First Nations were typically they were the interveners. They are now all three. The Inuvialuit are an example of how they have internalized the procedure: they had development, conservation and regulatory arms. Quite frequently, First Nations are part of, if not the principal, of a project.

Regarding methods, resources and tools for communication, Dan felt that the most effective ways for a proponent to communicate is through face to face meetings. Open house community meetings work well and can be held in conjunction with a dinner. A town hall meeting can follow this process is where a talking head speaks, but it is not the most effective means of communication as it can polarize. Meals help to humanize meetings and discussions. Other means to communicate include films, information brochures (instantly outdated) and newsletters.

Dan noted that a joint newsletter between a First Nation and proponent often work well. Facility tours allow some representatives of the community an opportunity to see what the project looks like. Project websites work very well as communication tools and can be updated instantaneously, particularly with real human beings answering Q and A's. 1-800-numbers are not too effective and use of public repositories and places like a library or AHAPC for filings and large documents. A project information centre is easily accessible for the public. A new tool is a

community agreement including community protocols and access and benefit agreements. This is important to have a formal arrangement or agreement when sharing sensitive information

In summary, Dan noted the purpose of engagement remains the same while the role of First Nations has evolved significantly. The key is to take the time to develop a trust relationship.

5.5 Monitoring & Inspection of Environmental Impacts of Pipeline Construction

Peter Snow, President and Senior Environmental Planner with Snow and Associates Inc and is a member of the Stoney Nakoda First Nation and reviewed the credentials, educational background and his work history including conferences and gathering in the 70's designed to get back to the people's roots. He indicated that it was and still is, important for Native people to consider this kind of discussion on any proposed natural resources development including the ability to talk to their Elders and to the environment, land and animals.

Peter then provided an overview of environmental monitoring including its importance to Aboriginal groups, regulatory challenges, select training opportunities and some recommendations.

Concerns with resource development were featured on a circle chart, and Peter focused on environmental issues. Assuming there will be an Alaska Highway Pipeline, he observed that bands can be involved at an environmental monitoring level which provides feedback of environmental impacts and the success of mitigation measures as well as compliance with environmental standards. Environmental monitoring can help facilitate any needed project design or operational changes.

Peter profiled the BEAHR model curriculum, the "Building Environmental Aboriginal Human Resources" Federal Government program developed with the input of over 100 organizations including First Nation groups. The goal is to provide participants with basic skills to do environmental monitoring. The training curriculum includes core skills, regulatory specialization and research specialization. A certificate is provided for the five weeks of full-time instruction. The overall goal is to increase Aboriginal Environmental employment by 6,000 positions over the next 15 years. Anybody with a grade 8 education-plus is eligible for this type of training to work an environmental assistant to consultants doing work in the field. A Flow Chart process illustrated the structure of the environmental monitor curriculum and provided examples of careers. He pointed to [www. BEAHR.com](http://www.BEAHR.com) for more information.

Regarding environmental pipeline inspection, Peter indicated that Enform in Calgary offers a three-day pipeline inspection course this year from April 14 to 16. The course involves regulation knowledge, construction components, soil handling, water crossing and bridges, the role of DFO, restoration/reclamation and pipelines

and Aboriginal communities, geo-technical concerns, legal issues etc. He noted that inspection is more intense than monitoring, as an inspector can be liable for specific decisions that occur on a project. It is important to discuss diligence and liabilities minimization with respect to construction.

Environmental inspectors have the authority to shut down pipeline construction if necessary due to an environmental infraction. Workers need to have training regarding potential sacred or cultural sites and easements and techniques to minimize impact. There are many unknowns (emergencies, spills) in pipeline construction that requires a good plan in advance and an immediate response during. Restoration involves photos of the site before, during and after.

Peter posed the question – “Why is environmental monitoring and inspection important to Aboriginal groups?” He responded that it ensures industry standards are met and that First Nations concerns are addressed meaningfully and holistically with respect to cultural and land use issues.

Regarding his current work with the Stoney First Nation, Peter noted that there are over 290 projects to process. Presently there are 41 sweet and sour gas wells, pipeline infrastructure, surface facilities and compression stations at Stoney. The Stoney Nation shares in royalties derived from the production of natural gas with Shell and Suncor. Over the past 20 years, the First Nation has made quite a bit of money off the royalties. There is more short-term than long-term employment as well as training education scholarships. Economic development such as houses, natural gas heating and electricity is paid for by the First Nation. Royalty monies are distributed on a per capita basis and they also support community cultural events and increased cultural awareness with industry and government. As well, policy and guidelines are being developed, traditional knowledge is being recognized and Aboriginals are being consulted.

The negatives associated with this level of income include:

- o financial dependency and political interference;
- o increase of violence;
- o increased use of drugs and alcohol;
- o loss of cultural identity and connection to the land, particularly among youth;
- o impact to the animals and traditional areas;
- o subtle racism and stereotypes still exist;
- o ignoring social conditions;
- o Increased resource development on First Nations' land.

Peter reviewed a model of how Industry should consult First Nations. Issues that need to be addressed were reviewed and he recommended consistency, certainty, protocol development, good communication and a long-term plan with the community.

In conclusion, Peter stated that Aboriginal issues will become more important in the future. Whereas about 40 to 50 years ago, safety issues were not a concern, they are a top priority now and can affect a company's bottom line. The same holds true for environmental issues as companies have become more environmentally conscious and aware of the need for policy, regulation and guidelines. He stated

that his First nation never focused on a vision for their community when pipeline construction commenced, and Peter recommended that communities develop a vision for where they see themselves five years or 40 years.

Questions and Answers

There were no questions.

5.6 Monitoring

Tony Delia, Director of Employment and Training for the Tanana Chiefs Conference was unable to participate in the conference on Day 2.

5.7 Facilitator Wrap - Up

Ruth Massie, Chair and Facilitator pointed to the important need for Yukon First Nations to be engaged and prepared for the pipeline. She hoped that all had made good contacts while attending the workshop and encouraged participants to share information with those unable to attend the workshop. She thanked all for their participation and drew door prizes.

Pearl Callaghan of AHACP thanked the Yukon working group including YESAA Working Board and Ron Sumanik and Brian Love Yukon Government Chris Cuddy, Wayne Marshall National Energy CEAA Brett Maracle and Jon Pierce for the contribution agreement. She also thanked staff James Allen, Phil Bastien and Board members and working group planning for the conference. She thanked registration staff and United Association 170, Doug Reti for the gifts, YTG plus a huge thanks to speakers. Pearl thanked Ruth Massie for acting as facilitator and presented her with a gift for a job well done.