



**YUKON GOVERNMENT / ALASKA HIGHWAY ABORIGINAL PIPELINE COALITION**  
**2009-10 TRANSFER PAYMENT AGREEMENT**  
**Final Report – March 31, 2010**

**Introduction**

The Alaska Highway Pipeline Coalition (AHAPC) helps empower First Nations with knowledge and understanding on the proposed Alaska Highway gas pipeline project so that each First Nation will be able to fully participate in and make informed decisions about the project, when, and if, it proceeds. The Yukon Government (YTG) has been a strong supporter of the AHAPC since its inception in 2004, recognizing the value of preparedness and proceeding with due diligence by First Nations in the project.

The AHAPC receives \$200,000 from YTG for the 2009-10 operations of the AHAPC. To date the AHAPC has received \$180,000 and there is a \$20,000 holdback to be released upon approval of the final report.

**2009-10 Deliverables**

The APC shall use the Funds to cover administration and office expenses, to facilitate the flow of information to communities, and to assess proposals on the proposed construction of a natural gas pipeline along the Alaska Highway route and, where possible, to work together in the spirit of co-operation, mutual respect and in accordance with traditional First Nation values to identify and assess matters of importance in respect of such proposed pipeline (the 'Project'). In particular, the APC shall use the Funds for the following purposes:

- Maintenance and operation of an incorporated society registered as the 'Alaska Highway Aboriginal Pipeline Coalition' with administrative offices separate and distinct from the APC member First Nations.

**The APC office was moved from 102 Gold Road to Suite 2, 4230-4<sup>th</sup> Avenue, Yukon Inn Plaza. The move took place at the end of February 2009. The new office was painted, of which 50% of the costs were covered in fiscal year 2008/09 and the other 50% in fiscal year 2009/10. The office is equipped, maintained and in full operation, separate from the member First Nations.**

**The APC has had two Board meetings this year. One meeting was held on-the-land at Christmas Bay on July 30-31. This provided an opportunity to conduct business in a relaxed atmosphere internally, without interruptions and on the land. YG, TransCanada and Denali also came to the Board meeting to provide updates and information.**

The APC also had a Board meeting on November 25-26 in Whitehorse. The meeting was held at the Teslin Tlingit Council Boardroom in the Yukon Inn Plaza.

Society matters included:

- Final 2008 and 2009 financial review report by McKay and Associates for fiscal year January 1<sup>st</sup> – December 31<sup>st</sup>, 2008.
  - Completion of financial audit by McKay and Associates for AHAPC-CFA 0809-08-000483 for the year January 1<sup>st</sup> - March 31, 2009 for the Guidelines Project as per federal policy.
  - Filing of List of Directors to November 24, 2009
  - Decision to change fiscal year from January 1 to December 31<sup>st</sup> to April 1st – March 31<sup>st</sup> to coincide with funding contributors.
- Maintenance and operation of an APC office to facilitate information flow to communities, governments, and industry.

With the relocation of the APC office into the downtown core it is much easier for First Nations people and the public to drop into the office for information and to make any inquiries. The office is well maintained and has an inviting atmosphere. We have computers, printers, photocopiers, telephones and office furniture for operations. For information flow, we have brochures, newsletters, pamphlets, maps, documents, a television with videos to explain the pipeline and construction of it. We also have a coffee area to provide refreshments to our visitors. There are three staff persons available to welcome and to provide information to any visitors that may come by. The APC also has a website which provides extensive information with regards to the pipeline and appropriate links available to anyone. The APC has had several meetings with the public, their auditor, governments and industry at their office.

- Engagement of an APC operations leader, office manager, and researcher.

The Operations Leader position was a contract position filled by Pearl Callaghan in September 2008. Pearl has since assumed employee status effective April 1, 2009.

The Researcher position was a contract position filled by Shay Smart until May 31, 2009. The position was vacant from the end of April until July 6, 2009 when it was occupied by James Allen. James has employee status. The Operations Leader has worked closely with James with regards to training, monitoring and supervision.

The Office Manager position was a contract position until April 1, 2009 and was occupied by individuals until a permanent posting was filled. Philip Bastien has successfully occupied the Office Manager position as an employee from January 4, 2010 to present.

- Engagement of community liaison workers if deemed necessary by the APC.

There are ongoing discussions with Industry and Federal Government for funding of these positions. A presentation was made to the Standing Committee for Aboriginal Affairs and Northern Development with the main focus on funding for Community Liaison Worker positions. A background information document was also provided to the Standing Committee to assist them in their deliberations.

- Development of a meaningful relationship between industry and Canada, Yukon and First Nation governments.

The APC engaged in joint community visits during the months of April, May, June and October 2009. The First Nation communities that were visited are the Carcross/Tagish First Nation (Carcross), Taán Kwachan Council (Whitehorse), Teslin Tlingit Council (Teslin), Liard First Nation (Watson Lake), Champagne/Aishihik First Nation (Haines Junction), Kluane First Nation (Burwash), White River First Nation (Beaver Creek), and Kwanlin Dun First Nation (Whitehorse). Funding for the APC participation was through the Canadian Environmental Assessment Agency.

Representatives from the Canadian Environmental Assessment Agency, the National Energy Board, the Northern Pipeline Agency, the Yukon Environmental and Socio-economic Assessment Board and the Yukon Government were the partners in the community visits. All of the visits with the First Nations were planned and scheduled by the APC and were well attended with good communication and exchange of questions and answers. The traveling together on the community visits, along with other working activities has fostered good working and meaningful relationships with governments.

The APC meets on a regular basis with both TransCanada and Denali either on the phone, via email or face-to-face meetings. Most of the meetings are to provide updates and any other information to each other. The APC has also received sponsorship from industry for costs for meals during board meetings. TransCanada has donated their office furniture and miscellaneous give-away items and loaned the APC a display model of the pipeline and a television with videos on pipeline information. Again, this has fostered a good working, friendly relationship with industry.

- Collection, maintenance, analysis and distribution of past and current pipeline and related information that is available from various sources including proponents and Canada, YG, First Nations and the Council of Yukon First Nations.

The APC provided information presentations and set up booths at the CAFN General Assembly, the Kaska Tribal Council, the LFN Development Corp Mining and Pipeline Forum and other First Nations upon request.

The APC has also met with Chugach (Alaska) and the Tanana Chiefs Conference over and above their attendance to the 5<sup>th</sup> Annual Alaska Oil and Gas Congress in Anchorage, Alaska in September 2009.

The APC also met with representatives of the United Association, Local 170 and toured the training facility in Vancouver in November 2009. There has been ongoing communication with the UA looking at possible training of First Nations members for the pipeline construction.

The APC is also developing relations with the Yukon Mine Training Association with regards to possible pipeline training initiatives for First Nations. This is in its initial stages and we look forward to possible funding opportunities for the training of First Nations through the YMTA.

The APC continues to collect, maintain, analyze and distribute information with regards to the pipeline from various sources on an ongoing basis.

- Development of information and communication tools which include a web site, newsletter, community meetings and workshops.

The APC continues to maintain their website on an ongoing basis with any new information, updates, news releases and calendar of events related to the pipeline project.

The APC is currently working on a news letter which it plans to release in the spring of 2010. Input is being sought from the member First Nations and Board members and staff and any other related information.

Joint Community meetings are now complete as referred to in an earlier bullet. However, the APC is available upon request to provide presentations, information, etc. to First Nations or interested parties. The results of the community meetings have been documented and are being worked on to eventually be put on the APC website, once finalized by the Yukon Working Group.

- Delivery of topic workshops for AHAPC member and non-member Yukon First Nations, industry and government, in order to identify the issues and solutions to challenges that are related to the pipeline project.

The APC jointly planned with the Yukon Working Group a “Learning from the Past – Preparing for the Future” workshop held on February 10-11, 2010. Discussion items included- date of workshop, setting agenda with subject matter, target participants, guest speakers and other logistics as required. The AHAPC Chair facilitated the two-day workshop.

The intent of the workshop was to hear First Nation experiences from Alaska, Northwest Territories, British Columbia, Alberta and Yukon on how they dealt with impacts and

benefits in the phases of planning, regulatory process, construction and operations of a pipeline. Industry was also invited to provide their experiences with regards to developing relationships and engagements with First Nation prior to pipeline construction.

Invitations were sent to all Yukon First Nations leadership and their resource staff, Council for Yukon First Nations, Canadian government agencies (CEAA, NEB, NPA), Yukon Government Oil and Gas Division, Yukon Environmental/ Socio-Economic Assessment Agency and the Oil and Gas industry proponents. Representatives from all of the above were in attendance plus other interested individuals. The funding for the workshop was provided by the Canadian Environmental Assessment Agency (CEAA) and the final report and budget requirements are being finalized at present and available upon request. Sponsorship for lunches was provided by TransCanada and Denali.

The “Learning from the Past – Preparing for the Future” workshop was an overall success and all of the evaluations (29) that were handed in ranked from “Good” to “Very Good” to mostly “Excellent”. There were many positive comments and requests for more information workshops.

- Development of discussion papers that explain the meaning of the information and stimulate debate among First Nations.
- Development of impacts and benefits assessment tools.
- Development of protocol and policy frameworks on consultation and impacts and benefits as they relate to a pipeline project.

The above three bullets have been addressed through the “Guidelines Project”, which has now been completed and being published. The APC worked closely with a project team with the objective of developing guides that will assist First Nations so that they are able to participate in discussions with government and industry to make informed decisions for the benefit of their citizens. Each guide is to be used as a reference tool that sets out a roadmap of the process and identifies issues.

The Guides are:

1. Establishing Respectful Relationships with YFN’s on the Alaska Pipeline Project
2. Developing Participation Agreements with YFN’s on the Alaska Pipeline Project
3. YFN Participation in the Environmental Assessment of the Alaska Pipeline Project.

The Guides will:

- Lay out a framework for government officials and industry proponents to establish constructive working relationships with respect to the planning, development and operation of the Alaska Highway pipeline.
- Summarize the relevant provisions of the Final Agreements and set out the duty of government to consult with affected YFN’s and, where appropriate, accommodate the concerns raised by the First Nations.

- Set out the First Nation's expectations for a meaningful consultation process and prepares the parties with a clear understanding of those expectations and their responsibilities.

The Guides were finalized in consultation with the First Nations (WRFN, KFN, CAFN, TKC, KDFN, CTFN, TTC, LFN, RRDC). Funding for the Guidelines Project was provided through INAC-Target Investment Program.

- Continued attendance at pipeline functions including conferences, workshops, community meetings, and meetings with industry and governments. Some community meetings to include pipeline information briefings and pipeline educational sessions given by the APC or jointly, from time to time, by YG and the AHAPC to community members.

The APC participated in a joint community tour with government representatives as mentioned above to inform and answer questions regarding the Alaska pipeline project.

Since April 2009, the APC has participated in (some are on an ongoing basis) in the following other meetings with:

- The Yukon Working Group
- Yukon Government– re: funding and reporting
- Canadian Environmental Assessment Agency – re: funding and reporting
- INAC – Target Investment Program – re: funding and reporting
- The Guidelines Project Team (APC, Consultants and FN Lawyers)
- Human Resources Consultant
- Denali – proponent to APP
- TransCanada – proponent to APP
- Denali Procurement Workshop
- Mark Eikland – APC Legal Counsel
- McKay and Associates – APC Auditor
- Davis & Co – Society Registrar
- Media – Whitehorse Star and APTN
- Kaska Tribal Council – two meetings – APC overview and Guidelines Project
- Kwanlin Dun First Nation
- Village of Haines Jct
- Village of Teslin
- Village of Watson Lake
- City of Whitehorse
- Yukon College
- Northern Pipeline Conference
- CYFN General Assembly
- Champagne/Aishihik First Nations General Assembly
- Northern Pipeline Agency
- 5<sup>th</sup> Annual Oil and Gas Congress, Anchorage
- Chugach, Anchorage
- Tanana Chiefs Conference, Anchorage
- Foundations Economic Conference

- Liard First Nation Development Corp – Mining and Pipeline Forum
  - United Association, Local 170
  - Standing Committee of Aboriginal Affairs and Northern Development
  - The Public, telephone inquiries and email inquiries, etc.
  - AHAPC Board meetings
  - The 10<sup>th</sup> Annual Arctic Gas Symposium, Calgary
  - Yukon First Nations Opportunities Conference, Whitehorse
  - Introduction to Simply Accounting Course (Office Manager)
- Pursuit of federal funding in support of APC objectives as set out in its bylaws, such pursuit to include the cost of operating at full capacity at the APC. For greater certainty, any Contribution Funds used by the APC for travel pursuant to this Agreement shall be in accordance with 'YG Management Board Directive #13/84 Appendix B', attached to but not forming part of this Agreement.

**The APC has been awarded federal funding from the Canadian Environmental Assessment Agency for Community Visits and a Workshop in the amount of \$104,245.77 as per File: AG-01(A) Round 2.**

**The APC has also been awarded federal funding from the INAC – Target Investment Program for Phase 1 and 2 of the Guidelines Project, Arrangement No.: 0809-08-000493, in the amount of \$143,400 for period April 1, 2008 to March 31, 2009 and for Phase 3 and 4, CFA# 0910-08-000260-3774 in the amount of \$106,100 for period April 1, 2009 to March 31, 2010. The APC received an increase for phase 3&4 from INAC to cover extra travel/consultation plans to the communities.**

**At every opportunity, the APC continues to seek funding from both Federal Government and Industry as per APC Business Plan on an ongoing basis. The last effort was to the Standing Committee on Aboriginal Affairs and Northern Development on November 17, 2009.**

**Board Meetings with AHAPC Board members were held July, 2009 at Christmas Bay on Kluane Lake and November, 2009 in Whitehorse and March 2010 in Whitehorse. All First Nation members expressed the concern of their First Nation governments, what is the cost of doing business in regards to participating in the proposed pipeline project without adequate financial resources available. This issue could affect the future attendance at future board meetings and participation at any Oil and Gas information gatherings.**

**AHAPC Operation Leader, Chair and staff members attended several Yukon working group meetings throughout the year to review their future agendas for workshops, community visits and any joint meeting activities in Whitehorse, Vancouver and Calgary.**

**Note: Has the YG Management board Directive #13/84, Appendix B, been amended? If so, please send us a copy.**

**Respectfully Submitted,**

**Pearl Callaghan, Operations Leader**