

1 Q. **Re: IN-NLH-195**

2 In the discussions referred to in Hydro's response to IN-NLH-195, p. 2, line 26, did
3 NLH seek an agreement for the federal government to pay for the costs of
4 electricity provision at Natuashish until December 31, 2002? If so, please:

- 5 a) detail the reasons for this request;
- 6 b) provide any correspondence with regard to requests made by NLH to the
7 federal government to pay for the costs of electricity provision at
8 Natuashish incurred since December 31, 2002; and
- 9 c) detail reasons behind why such requests were made or not made.

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12 A. []

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14 During this period, that is, prior to December 31, 2002, Hydro was in discussions
15 with the Mushuau Innu First Nation and the Government of Canada with regard to
16 supplying electricity in Natuashish. These discussions included cost recovery
17 matters. The focus of the parties during this period was on the negotiation of a
18 "Transition Agreement" that would be in place until a permanent arrangement
19 would be reached.

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21 IN-NLH-315 Attachment 2 contains a draft, tripartite, Natuashish Transitional Power
22 Agreement. This draft document is in tracked-changes format and documents
23 positions taken by the parties to the negotiations (though it is unclear, at this time,
24 which of the parties was proposing the various changes found in the document).
25 On page two of that document, one of the parties proposed that the words "and
26 DIAND has agreed to guarantee the payment of Hydro costs and expenses related
27 to such operations and maintenance during the Transition Period" (DIAND is the

1 Federal Department of Indian Affairs and Northern Development). It was, and
2 remains, Hydro's belief that the Government of Canada has a constitutional
3 responsibility with respect to Aboriginal people and lands and that this
4 responsibility extends to such matters as ensuring the provision of and payment for
5 services.