

1 **NP-IN-002**

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3 Q. [Philip Raphals Evidence, page 3]

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5 Mr. Raphals states:

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7 *“To date, Natuashish consumers do not benefit from either of*  
8 *these subsidies [rural deficit subsidy or Northern Strategic*  
9 *Plan subsidy], or from any other subsidies or rate reduction*  
10 *programs.”*  
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13 Has the provision of electrical service to consumers in Natuashish,  
14 including the capital costs of the electrical system, been subsidized by  
15 any form of public funding?  
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18 A. The view of Mr Philip Raphals is as follows:

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20 “Even if, like most First Nations in Canada, a significant portion of MIFN’s funding  
21 comes from public sources, this does not necessarily mean that its electricity costs are  
22 “subsidized”. The important question is whether or not, if the cost of providing electric  
23 service were lower, MIFN and its members would have more funds available for meeting  
24 their other needs. It is my understanding that this is the case.”