May 22, 2019

PRIVATE AND CONFIDENTIAL

DELIVERY VIA FAX: 204-360-6155

Jay Grewal, President & Chief Executive Officer Manitoba Hydro 360 Portage Avenue Winnipeg, MB Canada R3C 0G8

Dear Ms. Grewal,

Re: Manitoba-Minnesota Transmission Line Project (the "Project") Outstanding adverse impacts of Long Plain First Nation ("Long Plain")

As you know, on April 30, 2019 Long Plain removed its support of the Project in accordance with section 8 of the Project Agreement dated April 8, 2017 between Long Plain and the Manitoba-Hydro Electric Board (the "Agreement").

Since we provided our notice removing support for the Project Dierdre Zebrowski has reached out to indicate that Manitoba Hydro is willing to meet and discuss our concerns. We are glad to hear that Manitoba Hydro is willing to meet. Prior to any meeting, we thought it prudent to set out some of our concerns in advance so that you and the rest of the Manitoba Hydro board has time to consider and prepare for our meeting.

As the Project has proceeded through the various stages of the approval process we have not been adequately consulted and we continue to have significant concerns with the Project that have not been addressed. We have sought consultation with the Provincial Government and our efforts have been met with outright dismissal. As you can imagine, this is entirely unacceptable conduct by the provincial government. The provincial government has not met with us, despite us bringing significant concerns to their attention. We raised our concerns prior to the issuance of the provincial licence for the Project and Manitoba still chose to issue its licence. This is a clear breach of Manitoba's constitutional obligations and shows a disregard for Long Plain, its people, culture, and concerns.

Similarly, the federal government has failed to adequately consult us with respect to the Project. It took 6 months of negotiation to secure a paltry participant funding amount. Using these limited funds we made significant internal advancements to the consultation process. It was not until late April that the federal government finally met with us to have an initial discussion about our Treaty and Aboriginal rights, our concerns with respect to the Project, and potential accommodation measures. We have had one preliminary discussion with the federal government and the only response we have received was in the notice of the federal cabinet's decision to extend the decision date for the Project to June 14, 2019. In the federal government's extension notice to us it was noted that the federal government is considering amendments to the conditions to the National Energy Board ("**NEB**") decision and a land use study throughout Treaty 1 territory. This is a preliminary start to more in-depth discussions around accommodation. We intend to participate with the federal government in response to all reasonable

opportunities for consultation accommodation discussions in order to protect our rights and to ensure that our members see long-term and significant benefits from the Project.

As we have only recently started consulting with the federal government there is still a lot of work to be done. There are numerous issues that have yet to be addressed by the federal government and we have to enter into further funding discussions, finalize our internal preparations – including ongoing review of Project documents, internal meetings amongst leadership and advisors, organizing and attending community meetings, maintaining reasonable response times for the high-volume of correspondence we are receiving, preparing and attending meetings with the federal government, and discussing information received from the federal government amongst leadership and membership.

We will continue to work diligently with the federal government; however, given the amount of work that is still to go (including all negotiations about Project accommodation), it is not likely that this process can be completed in advance of the June 14, 2019 decision date and further time will likely be required.

Due to the lack of consultation that has, as of yet, taken place, we were forced to appeal the Manitoba decision to grant licence 3288. We have yet to begin the appeal process with the Manitoba government.

Further, due to the importance and value of the Project lands, we have made treaty land entitlement ("**TLE**") land selections within the right of way of the Project. The federal government breached its obligations to us by failing to allocate the appropriate amount of lands for our use and for conversion to reserve for our economic and cultural benefit. In 1994 we entered into a Treaty Land Entitlement Agreement with the federal government (the "**Settlement Agreement**"). We have made land selections within the proposed right of way of the Project. Though Crown-Indigenous Relations and Northern Affairs has acknowledged that the process has been triggered, we have yet to begin implementation discussions with respect to our selected land parcels. Until our Treaty Land Entitlement ("**TLE**") land selections are properly settled no interests in land can lawfully be granted to any third-party, including to Manitoba Hydro.

To date, neither our rights nor our concerns have been taken seriously by Manitoba or the federal government, so we are forced to pursue every available avenue to protect our rights.

Recently communication with Manitoba Hydro has been very limited, which is unfortunate. We would like for Manitoba Hydro to be a partner to Long Plain. We should also note, we are working collaboratively with other Treaty 1 Nations. We understand that Manitoba Hydro has removed offers of potential accommodation to our fellow Treaty 1 Nations. This is very concerning and disappointing behaviour and is in direct opposition to representations made by Manitoba Hydro in front of the NEB. We stand in allegiance with our fellow Nations and demand that Manitoba Hydro live up to its promises for us and for all Treaty 1 Nations.

The Project will adversely impact our Treaty and Aboriginal rights. The adverse impacts will be direct, significant, irreversible and indefinite. We are forced to continue to oppose the Project and will do so until our rights are recognized, our concerns heard and appropriate accommodation measures are put in place.

We have a number of concerns with Manitoba's past conduct in respect of Treaty 1 Nations, including your conduct towards us:

- 1. Traditional knowledge studies were not done on a wider broader scale to include sufficient oral and traditional knowledge. The traditional knowledge that was collected was misused and disrespected and provided to the NEB in a form and manner without our or our fellow Treaty 1 Nations' consent, who hold and own such sacred knowledge.
- 2. Manitoba Hydro stated to the NEB that various agreements were in place with Treaty 1 Nations and were acceptable to them when in fact this was not the case. Moreover, once the NEB gave conditional approval, Manitoba Hydro removed the offered agreements to Treaty 1 Nations.
- 3. After the NEB conditional approval, we asked to meet with you to discuss necessary edits to the procurement processes and bid request documentation to ensure that the intent of the NEB to include Treaty 1 Nations in contracting, employment and training could bear at least some fruit. You not only refused to meet to discuss this with us but you also made no changes to your procurement documentation even with NEB conditions on First Nations contracting employment and training.
- 4. We are very concerned that Manitoba Hydro has no mandate to truly sit down and sort out an effective and reasonable accommodation agreement with Treaty 1 Nations given the recent resignation of the whole of the board of Manitoba Hydro citing inability to be given the latitude to address First Nations' issues and concerns.

ACCOMMODATION AND DISCUSSIONS

Given the insufficient consultation and accommodation we see the urgency to complete negotiations with Manitoba Hydro.

We were disturbed to see Premier Pallister interfere and ultimately cancel the deal between Manitoba Hydro and the Manitoba Métis Federation. We understand that Premier Pallister has caused a lot of discord within Manitoba Hydro to the point where almost all of the Directors were recently forced to resign.

Premier Pallister has since gone on to publically disparage constitutional obligations and accommodation as "pay offs" and has made false representations regarding the level of provincial consultation that has been carried out by Manitoba.

This is all very concerning to us as Manitobans and as Canadians.

We are in the process of negotiating further accommodation with the federal government, including revisions to and additions of new NEB conditions; however, this process is in the very early stages and will take a considerable amount of time. In the interests of expediency and certainty, we are willing to enter into further accommodation discussions with Manitoba Hydro provided they are funded, confidential and without prejudice so that we might openly canvass a broad range of options and ideas, without references to what may or may not incorrectly pad the record of consultation.

Due to the concerns stated above, can you please confirm the following prior to any meeting with us:

1. Manitoba Hydro is willing to begin discussions regarding accommodation for the Project; and

2. Manitoba Hydro has the authority to enter into and carry out accommodation that is not subject to interference from Premier Pallister.

NEXT STEPS

We hope that we can have a mutually beneficial and long-term working relationship with Manitoba Hydro. We propose a meeting to discuss next steps to take place with Manitoba Hydro executives and Long Plain leadership during the week of May 27-31. We are at a very critical time and we need to discuss these important matters amongst leadership and executive level representatives of Manitoba Hydro. Please provide your availability and who will attend on behalf of Manitoba Hydro.

Regards,

Chief Dennis Meeches, Long Plain First Nation

cc: Dierdre Zebrowski Mike McDonald, Q.C. , Clark Wilson LLP Saul Joseph, Clark Wilson LLP Patricia Mitchell