

The following document contains excerpts from the:

Legislative Assembly of Manitoba - Hansard
The Standing Committee on Crown Corporations
Manitoba Hydro reporting to Standing Committee
Wednesday, December 19, 2007

Statements in support of World Heritage Site:

Mr. Selinger (Minister Responsible for Manitoba Hydro): "we have an historic opportunity to have a UNESCO World Heritage designation that will protect an important tract of boreal forest in Manitoba, which we think will provide long-term benefits not only to the environment, but to the peoples on the east side in terms of economic development, eco-tourism and those kinds of developments that have long-term sustainability."

Mr. Selinger: "It is one of the primary habitats, which has the best chance of attracting the woodland caribou. It has not only unique environmental features that require protection, but it also has unique cultural communities over there that are part of the designation process for UNESCO. It's extremely rare in an UNESCO-designation process that you both have outstanding universal value of both on the ecological as well as the cultural side. These factors are the factors that needed to be considered in what the routing decision should be for the hydro transmission line. These factors are the kinds of factors that the report suggests Hydro should discuss with the government because they go beyond the mandate of what Manitoba Hydro normally takes into account when they make a decision."

Mr. Selinger: "It's also incumbent upon us to do it in such a way that we don't take away opportunities to protect unique and intact, and some would call pristine boreal forest areas, and the opportunity to get a world class designation under UNESCO for what they call a landscape that has universal value."

Statements in support of East Side

Mr. Selinger: The east side was chosen for a variety of reasons that are delineated in the letter. Some of them were that the area is unique and environmentally spectacular, containing a vast expanse of undeveloped contiguous boreal forest. The east side is the home to a population that is 96 percent First Nation. It's one of the largest habitats for the threatened woodland caribou and home to the Bloodvein River as well as the Manigotagan River, the Bloodvein being a Canadian Heritage River, both rivers renowned for their marvellous recreational significance and access to transportation and networks. Many economic opportunities are more limited than in other parts of the province. As well, the east side has begun to feel the effects of climate change.

The other risk was the question of the environment and the boreal forest which has become a higher profile issue throughout North America. We know that many scientists

have weighed in on this and many groups have asked that there be consideration to the east side being a UNESCO World Heritage Site. There's a lot of work that's being done on that and more work that needs to be done.

Mr. Brennan (CEO Manitoba Hydro): ... I did point out that there are a good number of letters of opposition [to the east side route] that did come inThe estimate given to me was 10,000, or over 10,000.

Mr. Brennan: I would think from an environmental perspective we'd get more opposition from the east side just because of where it's going. The west side has definitely been more developed.

Mr. Selinger: The rising concern about the boreal forest has been growing for several years in the environmental community and in the scientific community. They have made comments about the intact, large tract of boreal forest on the east side. They've also always had the opportunity to make comments about boreal forest in any other part of Canada. Even before the specifics of this decision became under active debate in the last several years, the environmental community and the scientific community have identified the east side as an area of boreal forest that has outstanding universal value. That's the phrase that's used by UNESCO.

..... I think there is something specific and unique about the east side in that it's less developed, in that it has a large intactness to it which I think the report we've tabled with you attempts to try and discuss that.

So, when the president of Manitoba Hydro says he thinks, he makes an assumption there would be more opposition on the east side. Demonstrably up to this date, knowing about the boreal forests anywhere in Canada, there has been more support to protect the east side than there has been to protect other areas of boreal forest across the country. There is demonstrable support for greater protection on the east side.

Mr. Selinger: there is considerable risk to the reputation of the corporation of Manitoba Hydro in choosing a route that will generate a good deal of controversy [referring to the east side]. We have examples of this on other projects that have been attempted in other jurisdictions.

That reputational risk is something that has to be accounted for in the public policy decision because it could put at risk our major market. That could be up to \$5.5 billion of revenues over 10 years.

Mr. Selinger: So it's a question of managing risk which is, I think, what good governments do. If you look at it compared to what you've suggested you would do, you have said you will ram a hydro transmission line down the east side regardless of what people think about it, one way or the other, regardless of what the environmental consequences are, regardless of what the potential risk is to customers in the marketplace. You have actually generated an alternative that could create a perfect storm that could put not only the profits and the viability of the corporation at risk, but could put the reputation at risk and also bring an enormous amount of grief not only to the peoples of the east side, but to the people of Manitoba in terms of the UNESCO World Heritage designation and the protection of the boreal forest. When you think about that, that's very high-risk gambling that you're proceeding with in terms of what you say you would do if you were government.

Mr. Selinger:The report itself and what we've debated in the Legislature up to now, indicates that there's a lot of concern about a route down the east side and that that concern has the potential to become a cause célèbre. That could bring a great deal of negative reputational risk, not only to the corporation, but to the Province. It could result in the delay, the serious delay, if not the permanent inability to build the route on the east side. We've said that consistently from day one.

.....the east-side address has a high degree of saliency in terms of protection of the boreal forest because of its universal outstanding characteristics.

Mr. Selinger: Actually, my letter speaks to that in terms of process. The government's position was formed after many consultations. It was formed after, first of all, accepting the COSDI, Sustainable Development Implementation report, in 2000. It was formed after the broad area planning process was initiated with communities on the east side and was formulated after more than 80 meetings that the government undertook with peoples and communities on the east side. So, when the members say it's a predetermined position, it's actually quite the opposite of that. It's a position that was arrived at after our consultations with the peoples on the east side, broad area planning activity and the acceptance of the COSDI report. So quite a bit of process and consideration went into that, including many, many consultations with communities on the east side.

Mr. Selinger: Well, we're aware of several organizations that have concerns about protecting the boreal forest and concerns about the east side. The international organizations—the one that the member has referenced in the past is the Natural Resources Defense Council, which is an environmental action organization with 1.2 million members. We're also aware of the Sierra Club of Canada, the Canadian Boreal Initiative, the Western Canada Wilderness Committee, the Canadian Parks and Wilderness Society, sometimes known as CPAWS, the Nature Conservancy of Canada, and the boreal forest initiatives, as well as significant individuals including Sophia Rabliauskas, who has received the Goldman

Environmental Prize, is an Aboriginal woman who lives in the Poplar River area on the east side and has been championing the protection of the boreal forest on that side.

We're aware a variety of other significant individuals have expressed their support for protecting the east side in terms of the intact boreal forest.

Mr. Selinger: We know that at the engineering and technical level that a shorter route was to be preferred by Manitoba Hydro. We also know that in previous decisions to do routing they didn't choose the shorter route. They chose the Interlake route, which was longer, as opposed to the east-side route. So these factors were always on the table, and the corporation and the governments of the day make decisions what they think is in the broader public interest, given all the factors, not just the technical ones. They are important but other factors are important as well.

Mr. Selinger:[a risk] that needs to be managed is that relating to the environment and the potential of having the boreal forest protected on the east side where it has some unique universal outstanding characteristics.

Mr. Selinger.... We know that on the east side the risks that could come together there, in a possible perfect-storm scenario, could make it impossible to increase reliability in a timely fashion. You insist that it could be built faster on the east side. There is actually no evidence to support that, given the other factors at play here. So that's where there's a major disagreement between us.

We also know that on the east side there are some unique and universal outstanding environmental values that need to be protected which you seem to think are not at risk here, and I think that's another fundamental difference. We do think that those values are at risk.

Thirdly, we think that that risk could interact with the ability to maintain and increase our markets outside of the province which would increase the profitability of the corporation, which I think there is an interaction between the controversy that could be generated on the east side and the ability to maintain market share in terms of our exports. That's something else that I think you underestimate the risk attached to that. So we are saying that we're choosing a methodology here and we're asking Hydro to consider a west-side corridor that will reduce the risk to markets that will reduce the risk to environmental values, and increase reliability.

Mr. Selinger: You know, the member suggests that there are changing levels of support on the east side and that is true..... but there's also been a growing awareness of the need to protect boreal forest.

Mr. Selinger: the west side has more development over the last 90 years of mining and logging and roads, and there are existing transmission corridors over there. So, overall, there is less intactness. There is less undisturbed boreal forest on the west side. There are, however, environmental issues that have to be addressed, but there is also clearly more development on the west side that would suggest that a hydro transmission line would be more readily accepted.

Mr. Brennan: the actual boreal forest is virtually the whole line if you are on the east side. On the west side, the boreal forest is a smaller part near the top of the west side, then there are the boreal plains that are not as pristine as the boreal forest, and that's what Mr. Farlinger was referring to in the report.

Mr. Brennan: Yes, there is one First Nation that's been opposed to the line all the way through. As far as I know, they still are opposed. It's the one that's most prominent, and that's Poplar River.

Mr. Brennan: if we have a major outage on the west side, it would definitely be easier to get at. We have roads and that sort of stuff. ... If it happened on the west side, it probably would—well, I'm convinced it'd be easier.