

First Nations Leadership Council (FNLC) Response to Commercial Energy Consumers Association of BC (CEC): Intervener Information Request No. 1

August 29, 2019

Thank you for requesting more information about non-economic decision-making criteria that a regulatory body should use when assessing rate proposals from Indigenous utilities. Although rate proposals come from utilities that plan to distribute electricity directly to consumers, the FNLC considers that the following criteria can be used to assess all Indigenous utilities involved in electricity generation, transmission, or distribution.

It should be noted that these criteria should be understood, rather than as non-economic, as encompassing broad economic criteria that consider the true economic costs and benefits associated with social, environmental, and governance considerations. It is also important to reiterate that these assessments should be made by Indigenous people with relevant expertise and experience.

1. Socio-economic

- 1.1 Will the Indigenous utility employ Indigenous community members, provide transferable skills training, and otherwise improve social and economic indicators for the local community/Nation?
- 1.2 Does the Indigenous utility have the potential to deliver long-term economic benefits to the community that can be invested in housing, healthcare, Indigenous justice, and other social programs?
- 1.3 Does the Indigenous utility have the potential to improve social and economic outcomes for women and 2LGBTQQIA people in the community? Does it have a plan to employ and otherwise benefit women and 2LGBTQQIA people?
- 1.4 Is the Indigenous utility equity-owned by a First Nation or subsidiary, or is there a plan in place for transition to equity ownership over time?
- 1.5 Does the Indigenous utility have the potential to create greater long-term financial self-sufficiency for the Nation/Nations involved?
- 1.6 If the Indigenous utility plans to distribute energy directly to consumers, will it provide a reliable source of electricity for the local community?

2. Environmental

- 2.1 Does the Indigenous utility have the potential to contribute to climate change mitigation and adaptation for the Indigenous Nation/community?
- 2.2 Would the operation of the Indigenous utility assist in BC and Canada's goals to reduce greenhouse gas emissions in accordance with international commitments?
- 2.3 Would the operate of the Indigenous utility assist in the transition away from reliance on fossil fuels to produce electricity, especially diesel-generated electricity?

2.4 Has the Indigenous utility undergone an environmental assessment by the Indigenous Nation/s in whose territories it will operate?

2.5 Does the Indigenous utility offer an opportunity for the Nation to diversify to more sustainable forms of economic development?

3. Governance

3.1 Does the Indigenous utility have the potential to strengthen the governance capacity of a First Nation/Indigenous community, through project management, dispute resolution, or otherwise?

3.2 Is the Indigenous utility owned, in part or in whole, by the Indigenous Nation or Nations in whose territories it will operate? (Including but not limited to bands within the meaning of the *Indian Act*, Tribal Councils, governance bodies representing hereditary and other Indigenous legal structures, and subsidiary corporations of the above.)

3.3 If the Indigenous utility is not owned by the Indigenous Nation/s in whose territory it will operate, does it have their consent to do so?

3.4 Has a project agreement been negotiated with such Nations? Are there clear decision-making processes in place between the parties to the agreement?

3.5 Has there been an internal deliberation process or community consultation done within the Nations hosting the project? Do Indigenous legal orders play a guiding role?

3.6 Do Indigenous people have decision-making power and control within the Indigenous utility? Is this power limited to strategic decisions, or does it extend to management and operational decisions?