

NIMSCHU ISKUDOW INC.

HYBRID POWER — WIND, SOLAR AND BIOMASS

Monday, October 11, 2016.

Régie de l'énergie

800, rue du Square-Victoria, bureau 2.55
Montréal, Québec H4Z 1A2

Attn. **Me Véronique Dubois, Secretary of the Board**

Re : Régie de l'énergie, File no. R-3980-2016 (Hydro-Québec Distribution's 2017-2018 rate case). Modification to article 7.4 al. 3 of Hydro-Québec Distribution's Tariff. Confirmation of mandate of assistance given to interveners Stratégies Énergétiques and Association québécoise de lutte contre la pollution atmosphérique (SÉ-AQLPA).

To whom it may concern;

We, at Nimschu-Iskudow Inc., have been mandated to represent the interests of the Whapmagoostui First Nation (WFN) in attempting to resolve the long-standing issue of article 7.4 al. 3 of Hydro-Québec Distribution's Tariff, in regard to the difficulties this article has been posing for the Whapmagoostui First Nation community's electricity supply to product and maintain ice in its arena.

Since we do not have the resources to easily intervene before the Quebec Energy Board (Régie de l'énergie), this letter is to confirm that we have contacted Stratégies Énergétiques and Association Québécoise de Lutte Contre la Pollution Atmosphérique (SÉ-AQLPA) to ask them (they have accepted) to help us resolve this on-going problem for the future. Our request is for them to give us assistance in asking the Régie to modify this article 7.4 al. 3 as hereafter described, through SÉ-AQLPA's own intervention before the Board during its study of Hydro-Québec Distribution's rate case.

The on-going problem is as follows: Under article 74.1 al. 3 as it now reads, Hydro-Québec is empowered to interrupt electrical supply used to maintain ice in arenas (or to heat cables in water treatment plant intake pipes) north of the 53rd parallel "for peak demand management purpose."

Electricity delivered from an off-grid system located north of the 53rd parallel, except the Schefferville system, under a contract at Rate G, G-9, M or MA may be used for supply to heating cables in water treatment plant intake pipes, as well as to produce and maintain ice in arenas. For peak demand management purposes, however, such loads must be interrupted at Hydro-Québec's request.

Our problem is that Hydro-Québec is claiming that this text is vague enough to permit it to interrupt all such supply the whole year, on a continuous basis. The consequence is that Hydro-Québec Distribution has been refusing for years to provide any electrical supply for maintaining ice in WFN community's arena, thus forcing us to install a diesel electric generator, which is both more polluting and costly to the community than an electric supply from Hydro-Québec's power plant would have been.

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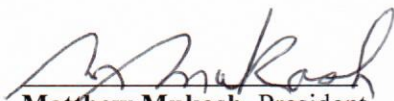
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The Whapmagoostui community is presently in discussions with Hydro-Québec Distribution (HDQ) in order to obtain compensation for the past, since we believe that Hydro-Québec's interpretation of present article 7.4 al. 3 of its Tariff was ill-founded. This matter is, however, not the subject of the present letter.

What the community wishes in the present file is also to modify article 7.4 al. 3 of the Tariff for the future, so that it would clearly state that Hydro-Québec's interruptions can only be done during a limited number of hours per year, and not the whole year, thus preventing Hydro-Québec to continue interpreting it that way. This would be relatively simple to apply, since a new article entered into force on April 1, 2013 (article 7.10) has already been adopted setting, for other usages in off-grid systems, a more equitable procedure for interrupting electric supply. It would, therefore, be rather simple to combine articles 7.4 al. 3 and 7.10 and ensure that interruptions to supply of our arena would only take place a limited number of hours per year (and not the whole year).

We respectfully ask the Régie de l'énergie to hear our request in this matter, by permitting Stratégies Énergétiques and Association Québécoise de Lutte Contre la Pollution Atmosphérique (SÉ-AQLPA) to present it. We understand that SÉ-AQLPA and our community have a joint interest in having this modification accepted by the Régie, both because it would reduce pollution and because it would be socially equitable for our people, in conformity with the principles of sustainable development that the Régie has the duty to promote. I am available to further testify on this matter at the hearing at the invitation of SÉ-AQLPA.

Yours very truly,


Matthew Mukash, President

Cc : Chief Louisa Wynne

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