Whitesand First Nation **Community Sustainability Initiative Building a Biomass Energy Economy**





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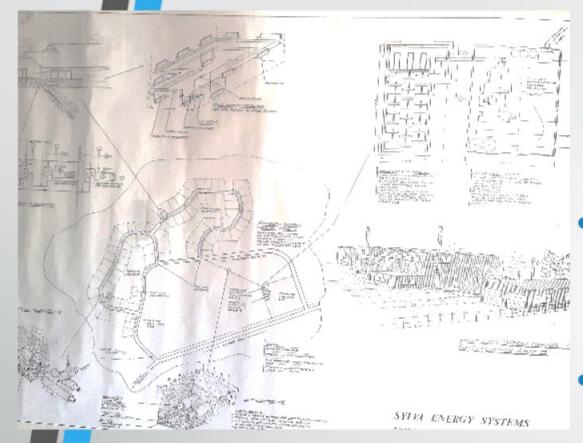


Whitesand First Nation

- Whitesand First Nation is located approximately 250 km north of Thunder Bay, Ontario, and is adjacent to Armstrong, near the northern tip of Lake Nipigon.
- Whitesand and Armstrong have a population of approximately 500.

Community Sustainability Initiative

- 2009 Whitesand First Nation created the Community Sustainability Initiative (CSI).
 - Forward Thinking
 - 5 Equally Valued Pillars Representing Sustainability
 - Principled Solutions Based Blueprint for Change
 - Recognizes Current Issues (internal reflection and external influences)
 - Address Long Standing Systemic Problems (economic despair, social inequity, cultural fragmentation, education gaps, environmental degradation, community health)
- How Can Biomass Energy Production;
 - 1. create meaningful employment?
 - 2. better social development and growth?
 - 3. raise prosperity through inclusion into Ontario's and Canada's economy?
 - 4. begin to address climate change directly at the community level?



Key Project Driver #1 Community Vision & Commitment

- Whitesand's vision of displacing the primary use of diesel generated electricity has been a long standing goal.
- In 1992 Armstrong, ON and Whitesand submitted a proposal for a community forest which included a bio-mass cogeneration facility.
- This proposal was not accepted but the community kept its vision alive and waited many years for a window of opportunity to open.

2017 The CURRENT SITUATION

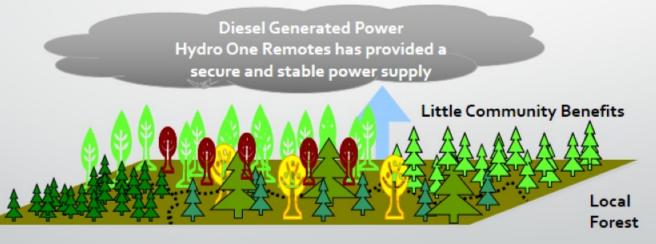
Internal

Reflection

- * High unemployment rate with little or no chance for meaningful work.
- * High on-reserve population is in receipt of social assistance.
- Many of social assistance recipients are without a grade twelve education. Poor secondary retention rates.



Nearing Max Power Generation Future Housing or other Infrastructure Jeopardized No power available for economic development



Local Forest was abandoned by industry and is now a Crown Forest.

5 Pillars of Sustainability

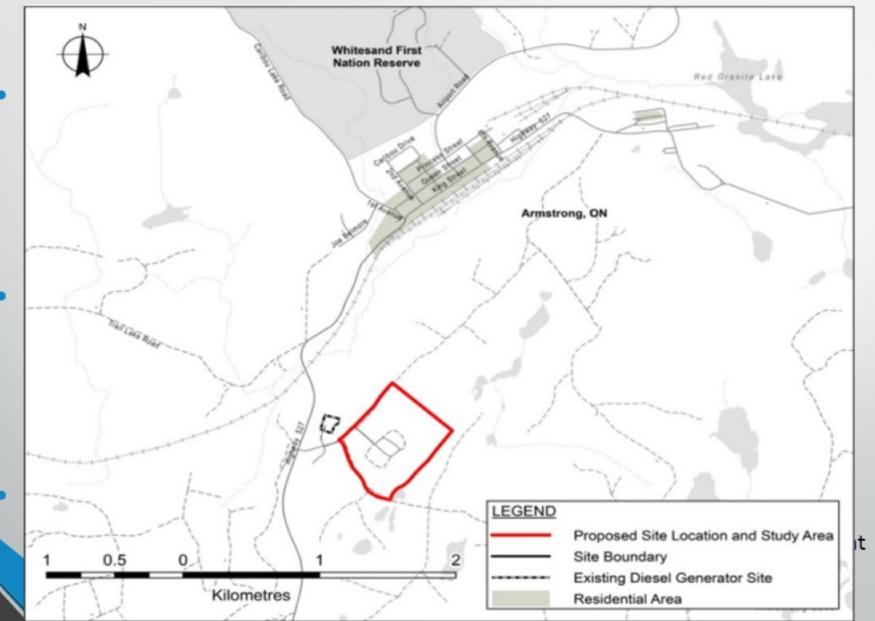




Key Project Driver #2 Provincial Wood Supply Competition

- In 2008 the meltdown of the Northwestern Ontario forest industry removed harvesting pressure on the Armstrong Forest which triggered a series of critical events.
- Led to the abandonment of the Sustainable Forest License and redesignation of the Armstrong Forest as a Crown Forest.
- 2. Created the Provincial Wood Supply Competition (WSC).
- Opened the window for Whitesand to plan, propose and implement a "New Bio-Economy".
- 4. In 2011 Whitesand was awarded fibre to begin the development of the project including engineering, land acquisition, environmental approvals, and the creation of biomass workforce.

Overview of CSI Biomass Project



- Completed
 Class Ten
 Opinion of
 Costs WSP
 Engineering
- 65 million (cdn) construction costs
- Opportunity for Canadian and American suppliers
- Planned construction late fall 2017.

Key Project Driver #3 Ontario Ministry of Energy: Long Term Energy Plan

The LTEP identified Whitesand as one of four communities that would not be connected to the Ontario transmission grid.

However, opportunities to pursue local renewable energy projects that would allow benefit from economic development opportunities was possible.

Key Project Driver #4 Ministry of Environment - Climate Change



HYDRO ONE REMOTE COMMUNITIES: GREENHOUSE GAS INVENTORY REPORT AND ACTION PLAN

September 11, 2014

The breakdown of CO₂ emissions per Remote Community is illustrated in **Table 5-2** and **Figure 4**. In most cases, emissions reflect the electricity output or demand in the community, with the largest stations (e.g. Sandy Lake) responsible for the largest share of emissions.

Refer to Section 3.3 of this report for the GHG emission intensity summary.

Table 5-2: Total Direct CO₂e Emissions per Remote Community

Remote Community	2013 tCO₂e	% of Total CO ₂ e Emissions
Thunder Bay	47	0.10%
Armstrong	3,565	7.39%
Bearskin Lake	2,139	4.43%
Big Trout Lake	4,856	10.06%
Bisco	463	0.96%
Deer Lake	3,475	7.20%
Fort Severn	2,178	4.51%
Gull Bay	1,132	2.35%
Hillsport	304	0.63%
Kasabonika	3,564	7.38%
Kingfisher	2,370	4.91%
Lansdowne	1,723	3.57%
Marten Falls	1,672	3.46%
Oba	278	0.57%
Sachigo	2,518	5.22%
Sandy Lake	9,323	19.32%
Sultan	411	0.85%
Wapekeka	2,189	4.53%
Weagamow	3,612	7.48%
Webequie	2,449	5.07%
TOTAL	48,267	100.00%

Minister of Environment
 Climate Change Discussion
 Paper goal of "new
 economic growth that
 result from moving to a
 low carbon economy."

Renewable Energy Approvals (REA)

The Project is subject to the REA process, subject to the provisions of the *Environmental Protection Act* and Ontario Regulation 359/09. The REA process entails consideration of environmental aspects, natural heritage features and water bodies as well as heritage and archaeological resources. In addition, the REA process includes, public, agency and First Nation consultations.





Sept 2013

Dec 23 2015

- Renewable Energy Approval was issued December 23, 2015. First of its kind in Ontario.
- Environmental Compliance Approval for the pellet mill was also recently issued.

Key Project Driver #4 Power Purchase Agreement

- After nearly 2 years of project analysis and valuation a Minister of Energy Directive was issued on December 14th, 2015.
- The Directive was a set of instructions to the Independent Electricity System
 Operator (IESO) to complete a 20 year renewable Power Purchase Agreement.
- The Directive is based on set of principles and instructions to assist the project towards construction.
- The directive states "Once developed, the project will support Ontario's goal of encouraging Aboriginal community participation in the energy sector. The project will also have a number of benefits including local job creation and reduced diesel use leading to reduced green house gas emissions."
- Began PPA contractual negotiations with IESO January 18th 2016 and are just finalizing the contract.

Led Through Biomass



Shawn Shapwaykeesic Power Engineering Program



Jermaine Nodin Forest Ecosystem Technician Program



Life Changing Opportunity

Burk Doni Welding and Fabrication

Program

Benefits

MUCH MORE

- * Pride of Ownership
- * Environmental Integrity
- * Empowerment
- * Community Reinvestment
 - * Social
 - * Health
 - * Education
 - * Employment
 - * Culture

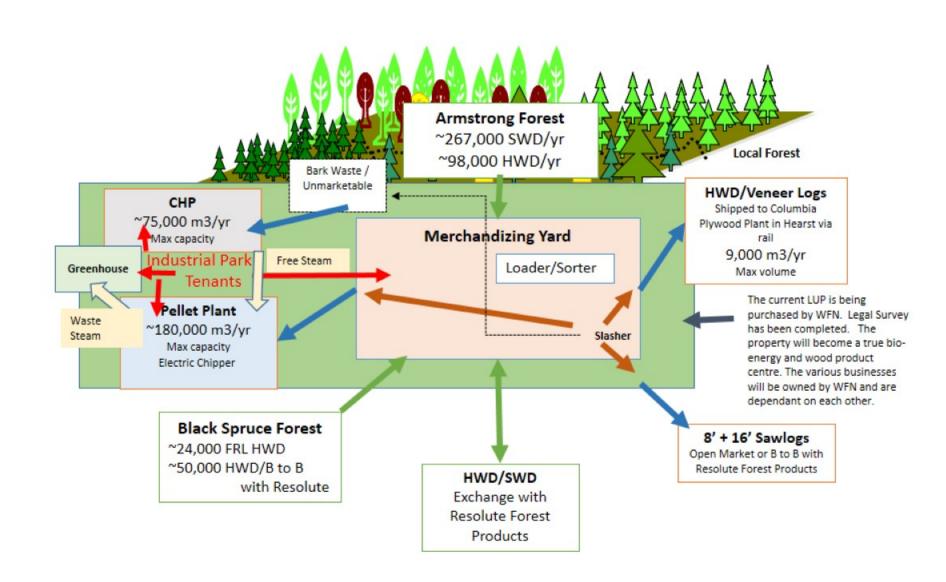


Biomass Opportunity

- There are approximately 175 Aboriginal and northern off-grid communities across Canada.
- Electricity is only one part of the equation as home heating currently accounts for a high amount of diesel fuel use in remote communities.
- A combination of small CHP, district heating systems and home conversion to pellet stoves and boilers can help to achieve this goal.
- Some communities may not have a readily available source of biomass but if we can transport diesel fuel we can transport wood pellets.

Wood Merchandizing Yard

- Original design was to chip in the forest. With the merchandising yard we will bring in tree length and chip as part of the pellet plant.
- Replace 150,000
 Litres of Diesel that would be used in the Forest
- Create more employment opportunities



Looking Forward 2025 New subdivision = 50 new Maximize community benefits housing units from the forest; while ensuring the connected to District return back to the land creates a **Heating System** healthy sustainable forest. Societ Log Homes sourced From Local Forest Domestic & International District Heating / Market Housing Retrofits Community Power Waste Heat Power & Steam **Economic** Development Value Added Green House Economic CHP Pellets Development Power 1 Return to Economic **Environment** Development Power **Local Forest** Culture Forest Management and **Environmental Services** Indigenous and Western Knowledge **Ecology Community Sustainability Initiative** Led by Biomass

Closing

 In the end, the Community Sustainability Initiative is about the long-term responsibility and accountability for Whitesand's economic, cultural, social, and environmental future which is led by a "New Biomass - Economy".

Ownership for that future can only rest with the Whitesand itself; however,
 Whitesand has sought and continues to seek expertise and partners to help us accomplish this vision.

Thank you

Contact

 David L Mackett, Community Sustainability Initiative Whitesand First Nation, <u>david.mackett@whitesandfirstnation.com</u>

807-620-1394

 Craig Toset, Business Development, Whitesand First Nation <u>craig.toset@whitesandfirstnation.com</u>

807-627-4680