



Tla-o-qui-aht First Nations

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September 15, 2015

Lisa Wolfe, Training Coordinator
AFOA
100 Park Royal S #1010, West Vancouver, BC V7T 1A2

Dear Ms Wolfe,

The Tla-o-qui-aht First Nation (TFN) is a 1000 member community based at Tofino BC, whose territory includes Clayoquot Sound. During the last decade the TFN has developed a vision and long-term natural resource management plan for sustainable economic development within their traditional territory. This comprehensive plan addresses the key resource sectors and sets out the vision for sustainable use, as well as the protection and enhancement of cultural and environmental values. The land use plan includes cultural tourism, ecotourism, forestry, fisheries and clean energy generation.

Clean energy development is a significant initiative of the TFN's economic development corporation. In 2005, TFN commissioned an inventory of potential hydropower development sites, and immediately moved forward to develop the best ranked option identified in the study; the 6 MW Canoe Creek hydropower project. Canoe Creek had a capital cost of approximately \$15 million. The financing of Canoe Creek required TFN to pledge Band assets as security. TFN commissioned Canoe Creek in 2010. Successful development and operating experience with Canoe Creek enabled TFN to develop relationships with new financial institutions, resulting in TFN financing its next project, Haa-ak-suuk Creek, using non-recourse project financing, with no pledge against general Band assets. Since the commissioning of Haa-ak-suuk Creek, the TFN was able to re-finance Canoe Creek using non-recourse project finance, removing the former pledge against general Band assets and assigning recourse against Canoe Creek specifically. This enables the Band to leverage its general assets for other business opportunities the Band may want to pursue, as well as minimizes risk for the Band generally.

Located in the UNESCO Biosphere in Clayoquot Sound, Canoe Creek Hydro and Haa-ak-suuk Hydro are excellent examples of sustainable economic development, execution of a strategic plan and growth in financial management. Since the commissioning of Canoe Creek and Haa-ak-suuk, TFN has received regulatory permitting for the 4 MW Winchie Creek hydropower project and is in the feasibility stage on several more projects.

The TFN has invested the time and capital to develop and implement a comprehensive land use plan in which a clean energy strategy is the cornerstone to developing a sustainable economy.

The plan was developed with the support of the local community, and reflects the Nation's respect for cultural and environmental values.

TFN's clean energy strategy has deployed approximately \$50M of capital investment in the region, most of which has been expended in the Vancouver Island Region, and has employed workers from the local community and throughout the Island.

With each of the first three Standing Offer Program hydro projects the TFN has increased its ownership, starting at 75 % at Canoe Creek, moving to 85% with Haa-ak-suuk and potentially increasing to 100% with Winchie Creek. The TFN's financing strategy provides inter-generational economic value with managed risk, enhancing the Band's opportunity to pursue other business opportunities.

The TFN provides an inspiring and successful example of the community impacts arising from successful execution of a strategic plan and strong financial management.

Yours Truly

A handwritten signature in black ink, appearing to read 'Saya Masso', with a stylized flourish at the end.

Saya Masso, Chairman

TFNEDC