

SCHEDULE 3-2

Wuskwatim Power Partnership Monitoring Advisory Committee

Terms of Reference

Purpose:

The Monitoring Advisory Committee (MAC) is an advisory committee to the Limited Partnership. It is intended as a communication forum, to provide accurate and pertinent information to the limited partners with respect to ongoing Wuskwatim Generation Project monitoring activities.

Committee Responsibilities:

- Gain an understanding of economic, social and environmental monitoring activities planned for or occurring during construction, commissioning, operations and decommissioning, including but not limited to:
 - Receive regular updates on activities
 - Provide input into monitoring activities and planning
 - Review public and regulatory reporting materials
- Advise the Limited Partnership regarding the content, publication and distribution of the Wuskwatim Project Monitoring Annual Report

Scope Limitations:

- The MAC is consultative and advisory only; it has no decision making authority.

Committee Membership:

The MAC will be comprised of three NCN nominees (one of whom is a director of the General Partner) and four Hydro nominees (possessing knowledge of the economic, social and environmental monitoring impacts and benefits).

Chairperson:

The MAC will be chaired by a Hydro nominee.

Duration of Committee:

The MAC will be established prior to construction and will remain in existence during operation and decommissioning of the Wuskwatim Generating Station.

Frequency of Meetings:

The MAC will meet bi-monthly during construction and commissioning, unless otherwise agreed to by NCN and Hydro. During operations it is anticipated meetings will be required on a lesser frequency, and this will be determined by the MAC closer to operations.

Meeting Process:

Hydro, as service provider under the Management Agreement, will attend meetings of the MAC and provide reports on ongoing Wuskwatim Generation Project monitoring activities.

Meeting notes will be recorded and distributed to Committee members within two weeks of the meeting date.

Documentation:

A report outlining any concerns raised by NCN in the MAC meetings with respect to Wuskwatim Generation Project monitoring activities will be provided to the Limited Partnership. During construction the report will be attached to the Project Manager's monthly report to the Limited Partnership.

Outside Communications:

The Chair generally is responsible for external communication on behalf of the Committee; however NCN representatives on the Committee may communicate with NCN Chief and Council and with community members with respect to matters discussed in the Committee.

Honorariums:

Members of the Monitoring Advisory Committee will receive an annual honorarium of \$4,000 during construction. Honorariums will be reassessed for the operations phase.