

COLORLINES

January 31, 2002
Vol. 4; No. 4; Pg. 27

Power to the People! Facing devastation, a Cree Nation fights back against Canadian utility giant Manitoba Hydro

Gupta, Charu

"If Canadian suppliers of energy and electricity are looking for a market, they've found one in the United States," said President George W. Bush at the April 2001 Summit of the Americas held in Quebec. Canadian Prime Minister Jean Chretien was only happy to oblige, pledging accelerated power production to meet the energy crises of his southern neighbor.

Neither Bush nor Chretien acknowledged the numerous Cree communities of northern Manitoba that bear the brunt of environmental destruction caused by projects of the government and Manitoba Hydro, Canada's second largest hydro utility.

Members of the Cree Nations, who have lived in the area for more than 6,000 years, must subsidize some of the cheapest electricity in the world with the destruction of their communities. Over the past 30 years, power generating stations and dams have diverted natural river flows, flooded traditional burial sites, eroded acres of land, killed off whitefish and sturgeon, and caused widespread mercury contamination. Unemployment, alcoholism, and unprecedented suicide rates compound the list of problems facing Cree communities.

"Our people have decided that they will no longer be beaten up in silence. We will tell our story and assert our rights," declared John Miswagon, Chief of the Pimicikamak Cree Nation (PCN) in Cross Lake, Manitoba. "If this causes U.S. electricity consumers to decline to buy power that is generated through the sacrifice of Cree lives and an entire environment, so be it."

Manitoba Hydro and the Cree Nation

Manitoba Hydro, founded in 1961 as a state-owned corporation, quickly set its sights on the Nelson River, building five generating stations -- akin to a giant battery -- to harness its power.

Since the 1970s, Manitoba Hydro has diverted more than 85 percent of the Churchill River into the Nelson River, according to Al Gedicks' recently published book *Resource Rebels*. As a result, the Cree Indians in northern Manitoba lost 3.3 million acres of their traditional lands due to flooding.

Contamination from flooding is also widely documented. Submerged vegetation, when it decomposes, produces methane and transforms the natural

mercury in soil and rock to toxic methyl mercury. Fish, a key part of the Cree food supply, then absorb the toxic mercury. One out of six people in the area suffers from mercury contamination, Gedicks reported.

PCN lands lie just south of the Jenpeg generating station, where four river-conversion projects and control dams now flood once-fertile ground. Ian Goodman, an energy consultant who has worked with several Canadian First Nations, says the dams have altered the natural flow of the river. Rapid fluctuation in water levels and reversal of seasonal highs and lows have made the river difficult to travel for hunting, fishing, and trapping -- staples of the Cree economy.

Now the Cree find themselves more dependent on store-bought food than ever. "It's not that the cultures have not changed at all, but these people have been there for 6,000 years, maybe longer, in one area, and everything has developed around that particular environment," said Goodman. "Suddenly, the environment has changed in a very dramatic way."

PCN filed its first lawsuit against Manitoba Hydro in 1981 and is responsible for half of the 600 total lawsuits that have been brought against the utility since the 1970s. Manitoba Hydro has fought every complaint and there is no settlement in sight.

"Overall, the objective of the government is to assimilate us into the mainstream society by denying us our rights," said Vice Chief Osborne. "They want to get us out of the way -- they want the land, water, trees, space."

Family Feud

In 1977, the five most-affected Cree tribes -- Cross Lake (PCN), Nelson House, Norway House, Split Lake, and York Factory -- signed the Northern Flood Agreement (NFA) with Canada's Provincial government. The NFA granted Manitoba Hydro access to reserve lands in exchange for compensation and relief for any environmental and economic impacts. A Winnipeg lawyer and an author of the NFA, Collin Gillespie, explained that the agreement was based on a real need for community redevelopment planning, along the lines of the Marshall Plan. "This hydro project was going to ruin everything these people survived on and so they would need new ways and means of survival," Gillespie said.

Though Manitoba Hydro officials claim the NFA has always been implemented, it is not just PCN and their lawyers who argue that the agreement was never honored. Chief Jerry Primrose of Nelson House, a Cree First Nation that departed from the NFA to forge its own settlement with Manitoba Hydro, said nothing came of the original agreement for 20 years. "It was being implemented, but not at the speed we wanted. We thought we could do better," he said.

In 1966, Chief Primrose signed an agreement with Manitoba Hydro to build more projects on Nelson House lands. This agreement included detailed clauses over future developments and made Nelson House a part of any new projects. Chief Primrose also negotiated 33 percent equity partnership in the new

generating station to be built on Nelson House land.

Vice Chief Osborne thinks Nelson House sold out and assimilated. "The danger to everything is that Nelson House is helping the government do away with their treaty and aboriginal rights," he said. And Gillespie sees a buyout taking place. "Manitoba Hydro and the federal government are dangling dollar amounts in front of some very poor people," said Gillespie. "PCN is saying no. They want a sustainable economy and cleanup of their lands."

But Chief Primrose considers himself the most realistic of everyone involved. "The hydroelectric projects have been there since the early 1970s, and will be there tomorrow. We have to move on. They are not being dismantled, so we must make the best of the situation," he said.

Of the five Native communities that originally signed the NFA, PCN is the only one that has not yet settled with Manitoba Hydro. "They want us to give up on NFA and accept their buyouts. If we do that, we are in essence terminating the NFA," said Osborne. "There is no need for another agreement."

Dams for U.S. Imports

Large hydro projects in northern Manitoba are something most Americans know nothing about, even though many along the northern states bordering Canada use energy generated by these plants. More than one-third of the electricity generated in Northern Manitoba is exported to Minnesota.

Manitoba Hydro's energy export profits in 2000 hovered around 400 million (CDN). Of that amount, Manitoba's contracts with Xcel Energy, Minnesota's largest utility, account for about 170 million per year -- nearly 15 percent of the Canadian utility's electricity revenues. In 1999, PCN set up a lobbying office in Minneapolis, Minnesota to combat negotiations between Manitoba Hydro and Xcel Energy. PCN came armed with the NFA and demanded that Manitoba Hydro and Xcel Energy honor the agreement.

But getting a big corporation to pay attention can be difficult. And when Xcel Energy would not listen, Ann Stewart, information officer and lobbyist for PCN in Minnesota, decided to call upon **As You Sow**, a foundation devoted to **shareholder** activism, to galvanize the support of **Xcel Energy shareholders**. **Michael Passoff**, director of **As You Sow**, threw together a campaign to persuade **Xcel shareholders** to vote in favor of energy that does not come from projects harmful to indigenous people. The organization made thousands of phone calls, researching and identifying **Xcel shareholders**, personally contacting the top 100 and sending mailings to another 3,600. **As You Sow** linked information to their website and took out a full-page New York Times ad accusing Manitoba Hydro of environmental destruction and human rights abuses.

The campaign against Manitoba Hydro, which highlighted its partnership with Xcel Energy, resulted in a 9.4 percent **shareholder** vote in favor of the PCN-backed resolution. (To keep a **shareholder** resolution alive, the FCC requires a 3 percent vote the first year, 6 percent the second year and 10 percent the third year.) This year, Xcel CEO Wayne Brunetti felt pressured

enough to finally meet with PCN leaders on Cree territory and see firsthand the impact of his company's policies. "Our **shareholder** campaign clearly worked in this case. It highlighted the plight of PCN and got a lot of media attention," said **Passoff**.

Meanwhile, the most effective messenger on Manitoba Hydro's behalf has been Chief Primrose. He says settlements with the Canadian utility injected money into the reservation economy, creating opportunities for investment and self-determination for his people. "This is a tremendous opportunity and we want to make sure we are a part of it and see our future generations benefit," said Primrose, adding that his community has seen tremendous growth in jobs and home ownership since 1996.

The **shareholder resolution** remains a landmark success for many PCN supporters. "The **shareholders** realized that we had the better argument," said **Passoff**. "This was a huge first step for **shareholders** in having a dialogue with Xcel."

We Are Not For Sale

PCN's ongoing fight against Manitoba Hydro has become an increasingly global battle against larger trade interests and market economies. PCN has partnered with the Minnesota chapter of the Sierra Club, the Clean Water Alliance of Minnesota, and the North American Water Office of the Minnesotans for an Energy Efficient Economy to wage a public education and media campaign. "We have decided to take our story to the world -- to the court of public opinion," said Vice Chief Osborne.

"We are not for sale. We are going to protect what we have left."

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