



Minister Responsible for Nunavut Arctic College  
Minista Kamayiuyuq Nunavut Ukiuqtaqtumi Ilinniaryumivingmik  
Ministre responsable du Collège de l'Arctique du Nunavut  
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May 30, 2013

Susanne Misheralak  
Chairperson, Board of Governors  
Nunavut Arctic College  
PO Box 60  
Arviat, NU X0C 0E0

#### **Nunavut Arctic College Letter of Expectation 2013-14**

Dear Ms. Misheralak:

It is my pleasure to provide this Letter of Expectation for 2013-14. I firmly believe that the direction provided within will help to reinforce our relationship, build on our successes and further promote accountability. This letter contains the priorities and desired outcomes for the 2013-14 fiscal year and provides direction concerning the reporting responsibilities of the College. It is my expectation that you will discuss the direction herein with your staff to ensure the expectations are met.

In addition, I expect that the College's 2013-14 strategic goals will be to realize your mandate while endeavoring to achieve the vision for the future outlined in *Tamapta*:

- Nunavummiut will continue to have a highly valued quality of life, and a much better standard of living for those in need;
- Individuals and families will be active, healthy and happy;
- Communities will be self-reliant, based on Inuit societal values, with reduced dependence on government; and
- Nunavut will be recognized for our unique culture, our ability to help one another, and for our useful contributions to Canadian and global issues.

Nunavut Arctic College (NAC) plays an integral role in helping to realize this vision, particularly building self-reliance and improving standards of living through training and employment.

Specifically NAC has been tasked with increasing post-secondary opportunities for education, adult learning and training.

As the Chairperson of NAC, it is also your responsibility to implement Government of Nunavut (GN) priorities that touch upon all public agencies and GN departments. This means, for example, enhancing our efforts to incorporate Inuit societal values in our programs and services as well as increasing beneficiary employment to the representative level mandated by the Nunavut Land Claims Agreement. Your commitment to *Tamapta* priorities is critical to the continuing development of Nunavut.

In March 2013 a new Public Service Act was introduced in the Legislative Assembly. Should the Act receive assent, the GN will be working to implement the changes: you are responsible for ensuring that members of the public service working for the College are made aware of their rights and duties under the existing and prospective legislation and that the Act is fully implemented at the College.

Additionally, the GN is committed to fully implementing the *Official Languages Act* and the *Inuit Language Protection Act*, ensuring Nunavummiut can communicate in their preferred language. I remind you of your obligation to work towards developing and implementing an Inuit Language plan to ensure all clients can communicate in their language of choice.

#### **Expectations and Priorities for 2013-2014**

As Minister responsible for NAC, I have reviewed and approved your 2013-14 business plan and budget. I am pleased to see that your department's strategic goals so closely link to the *Tamapta* mandate. It is my expectation that you will adhere to the priorities and principles you have stated. Our continuous goal of achieving improved accountability and transparency must be kept in mind when you are following your plan.

I am also pleased that NAC continues to successfully deliver its business plans within the GN's timelines. I look forward to receiving quarterly reports on the development and delivery of various initiatives outlined in your 2013-14 business plan. The following priorities are of particular interest:

- Continue to support mine training in Nunavut through collaboration between government departments, the private sector and other partner organizations.
- Continue building Inuit language capacity by expanding thus increasing delivery of the Interpreter/translator program to all regions.
- Establish an Inuit Language and Culture Centre within the College.
- Expand Piquusilirivvik satellite community programming to other communities.
- Expand delivery of on-line learning course to more programs and courses.
- Update the Adult Basic Education Program curriculum to improve delivery of the program and to increase student retention in the program.
- To improve delivery and student retention.
- Continue building capacity for workforce development in public and private sector.
- Continue building capacity to support community-based teacher education in the Kitikmeot, Kivalliq and Qikiqtaaluk.
- Increase the use of Inuktitut as the Language of Instruction to students in the Nunavut Teacher Education Program.

- Develop Business Cases for the core-funded delivery of the Early Childhood Education Program, the Environmental Technology Program and the Social Service Worker Program at the community level in alternating locations.
- Increase degree transferability of diploma programs with other post secondary institutions.
- Initiate the plan for renewal of the accreditation of the Nursing Program.
- Develop and deliver equipment and operator programs for Phase 2 of the Nunavut Trades Training Centre.
- Undertake the development of College science agenda to focus applied research and development activities.
- Complete the certification of the Iqaluit water and soil laboratories and increase utilization of the mobile laboratories for applied research activities.
- Expand career learning centres services in other communities to promote student intake and assessment.
- Implement comprehensive student counseling and recreation strategy.
- Develop key performance indicators for quality assurance of the delivery of programs and services offered by the College.
- Deliver a new University Studies Diploma.

I am very interested in learning more about these stated priorities in the coming months.

#### **Accountability and Financial Management Reporting Expectations for 2013-14 Fiscal Year**

The *Financial Administration Act (FAA)*, in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies in general and territorial corporations in particular. Additionally, in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations have issued directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities through tabling in the Legislative Assembly include:

- The College's Business Plan, at the same time as the GN's Business Plan is tabled.
- A yearly comprehensive report on all procurement, contracting and leasing activities undertaken by NAC. This report, or reports, should contain, at a minimum, the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. (In preparing the Lease Activity Report, please ensure that information which may provide an unfair business advantage to potential competitors is not disclosed).
- Formal responses to letters of expectation, letters of instruction and Ministerial directives at the first session of the Assembly subsequent to the College receiving such correspondence.

During 2013-14 you are again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis..

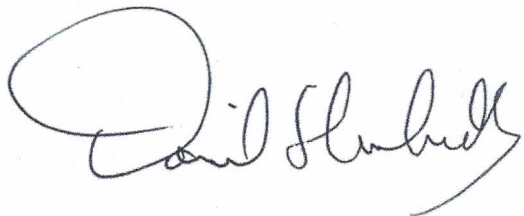
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable.
- Management letters or other reporting (including the College's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the College for the year.
- A comprehensive list of all leasing activity, if different to the public Lease Activity Report above.
- NAC is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Service Accounting Standards are appropriately implemented in all financial reporting..
- NAC will direct its auditors to copy the Comptroller General on management letters and/or other reporting.

It is also important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the College continue its close working relationship with the Department of Finance at all levels. The relationship needs to be nurtured on both parts with an effective flow of both formal and informal information.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectation. I also look forward to reviewing your response to this letter.

In replying to this letter, please copy Chris D'Arcy, Deputy Minister of Finance, who will ensure that all public agency responses are tabled in the Legislative Assembly by the Chairman of the Public Agencies Council at the appropriate time.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Shewchuk". The signature is fluid and cursive, with a large loop at the beginning and a long, sweeping underline.

Honourable Daniel Shewchuk  
Minister Responsible for Nunavut Arctic College

c.c. Chris D'Arcy, Deputy Minister, Department of Finance



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Bâtir le *Nunavut* ensemble

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Minister of Economic Development &  
Transportation

Ministanga Pivalliyuliyiyikkut Ingilrayuliyiyitkullu  
Ministre du Développement économique et des Transports

Greg Cayen  
Chairperson, Board of Directors  
Nunavut Business Credit Corporation  
PO Box 2548  
Iqaluit, NU X0A 0H0

JUN 05 2013

**RE: Nunavut Business Credit Corporation 2013-14 Letter of Expectation**

Dear Mr. Cayen:

It is my pleasure to provide this Letter of Expectation for 2013-14. I firmly believe that the direction provided within will help to reinforce our relationship, build on our successes and further promote accountability. This letter contains the priorities and desired outcomes for the 2013-14 fiscal year and provides direction concerning the reporting responsibilities of the Corporation. It is my expectation that you will discuss the direction herein with your staff in order to ensure that the expectations will be met.

In addition, I expect that the Corporation's 2013-14 strategic goals will be to realize your mandate while endeavoring to achieve the vision for the future outlined in *Tamapta*:

- Nunavummiut will continue to have a highly valued quality of life and a much better standard of living for those in need;
- Individuals and families will be active, healthy and happy;
- Communities will be self-reliant, based on Inuit societal values, with reduced dependence on government; and
- Nunavut will be recognized for our unique culture, our ability to help one another and for our useful contributions to Canadian and global issues.

The Nunavut Business Credit Corporation(NBCC)'s commitment to *Tamapta* priorities is critical to the continuing development of Nunavut. In particular, supporting community-based, sustainable economies and increasing self-reliance are areas where the Corporation plays an integral role.

As Chairperson of NBCC, it is also your responsibility to implement priorities that touch upon all public agencies and Government of Nunavut (GN) departments. This means, for example, enhancing efforts to incorporate Inuit societal values in your programs and services as well as increasing beneficiary employment to the representative level mandated by the Nunavut Land Claims Agreement.

In March 2013 a new Public Service Act was introduced in the Legislative Assembly. Should the Act receive assent, the GN will be working to implement the changes: you are responsible for ensuring that employees of NBCC are made aware of their rights and duties under the existing and prospective legislation and that the Act is fully implemented at the NBCC.

Additionally, the GN is committed to fully implementing the *Official Languages Act* and the *Inuit Language Protection Act*, ensuring Nunavummiut can communicate in their preferred language. I remind you of your obligation to work towards developing and implementing an Inuit Language plan to ensure all clients can communicate in their language of choice.

### **Expectations and Priorities for 2013-14**

As Minister responsible for NBCC, I have reviewed and approved your 2013-14 business plan and budget. It is my expectation that you will adhere to the priorities and principles you have stated. Our goal of achieving improved accountability and transparency must be kept in mind when you are following your plan.

The improvements you have implemented in the interest of increased transparency, accountability and effectiveness are encouraging and I urge you to work toward building a strengthened and sustainable organization. I am also pleased that NBCC successfully continues to deliver its business plans within the GN's timelines and with the recent tabling of the 2008-09, 2009-10 and 2010-11 procurement activity reports. As you continue to build on your achievements I look forward to your 2011-12 procurement activity report and receiving quarterly updates on the following 2013-14 priorities:

- Consider results from the assessment to increase NBCC's thresholds and establish future direction for its service offerings.
- Work with the GN and other lenders to obtain clarification and consistency in the meaning of "jobs created" and "community benefits obtained" for performance measurement reporting.
- Develop in-house presentations and/or host workshops, webinars and conferences on business development and best practices for small to medium sized businesses.
- Schedule regular site visits by partnering with other economic development agencies such as Community Futures, Chambers and other government departments to broaden NBCC's outreach to existing and potential clients.
- Develop a new corporate logo.

## **Accountability and Financial Management Reporting Expectations for 2013-14 Fiscal Year**

The *Financial Administration Act (FAA)*, in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies in general and territorial corporations in particular. Additionally, in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations have issued directives to provide additional important information to the GN and Nunavummiut.

During 2013-14 you are again instructed to give attention to the following ongoing reporting responsibilities through tabling in the Legislative Assembly:

- The Corporation's Business Plan, at the same time as the GN's Business Plan is tabled.
- A 2011-12 comprehensive report on all procurement, contracting and leasing activities undertaken by NBCC. This report, or reports, should contain at a minimum the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. (In preparing the Lease Activity Report, please ensure that information, which may provide an unfair business advantage to potential competitors, is not disclosed).
- Formal responses to letters of expectation, letters of instruction and Ministerial directives at the first session of the Assembly subsequent to the Corporation receiving such correspondence.

During 2013-14 you are again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable.
- Management letters or other reporting (including the Corporation's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the Corporation for the year.
- A comprehensive list of all leasing activity, if different to the public Lease Activity Report above.
- NBCC is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Service Accounting Standards are implemented appropriately in all financial reporting.
- NBCC will direct its auditors to copy the Comptroller General on management letters and/or other reporting.

It is also important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the Corporation continue its close working relationship with the Department of Finance at all levels. The relationship needs to be nurtured on both parts, with an effective flow of information, both formally and informally.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectation. I also look forward to reviewing your response to this letter.

In replying to this letter, please copy Chris D'Arcy, Deputy Minister of Finance, who will ensure that all public agency responses are tabled in the Legislative Assembly by the Chairman of the Public Agencies Council at the appropriate time.

Sincerely,

A handwritten signature in blue ink, appearing to read "Peter Taptuna". The signature is stylized with a large initial "P" and a long, sweeping underline.

Honourable Peter Taptuna  
Minister Responsible for Nunavut Business Credit Corporation

cc. Chris D'Arcy, Deputy Minister, Department of Finance  
cc. Robert Long, Deputy Minister, Economic Development & Transportation





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Bâtir le Nunavut ensemble

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Minister of Economic Development &  
Transportation

Ministanga Pivalliyuliyikkut Ingilrayuliyitkullu  
Ministre du Développement économique et des Transports

Nancy Karetak Lindell  
Chairperson, Nunavut Development Corporation  
PO Box 249  
Rankin Inlet, NU X0C 0G0

JUN 05 2013

**RE: Nunavut Development Corporation 2013-14 Letter of Expectation**

Dear Ms. Karetak Lindell:

It is my pleasure to provide this Letter of Expectation for 2013-14. I firmly believe that the direction provided within will help to reinforce our relationship, build on our successes and further promote accountability. This letter contains the priorities and desired outcomes for the 2013-14 fiscal year and provides direction concerning the reporting responsibilities of the Corporation. It is my expectation that you will discuss the direction herein with your staff in order to ensure that the expectations will be met.

In addition, I expect that the Corporation's 2013-14 strategic goals will be to realize your mandate while endeavoring to achieve the vision for the future, outlined in *Tamapta*:

- Nunavummiut will continue to have a highly valued quality of life and a much better standard of living for those in need;
- Individuals and families will be active, healthy and happy;
- Communities will be self-reliant, based on Inuit societal values, with reduced dependence on government; and
- Nunavut will be recognized for our unique culture, our ability to help one another and for our useful contributions to Canadian and global issues.

Nunavut Develop Corporation (NDC)'s commitment to *Tamapta* priorities is critical to the continuing development of Nunavut. In particular, supporting community-based, sustainable economies and increasing self-reliance are areas where the Corporation plays an integral role.

As the Chairperson of NDC, it is also your responsibility to implement priorities that touch upon all public agencies and Government of Nunavut (GN) departments. This means, for example, enhancing your efforts to incorporate Inuit societal values in your programs and services as well as increasing beneficiary employment to the representative level mandated by the Nunavut Land Claims Agreement.

Additionally, the GN remains committed to fully implementing the *Official Languages Act* and the *Inuit Language Protection Act*, ensuring Nunavummiut can communicate in their preferred language. I remind you of your ongoing obligation to work towards developing and implementing an Inuit Language plan to ensure all clients can communicate in their language of choice.

### **Expectations and Priorities for 2013-14**

As Minister responsible for NDC, I have reviewed and approved your 2013-14 business plan and budget. It is my expectation that you will adhere to the priorities and principles you have stated. Our continuous goal of achieving improved accountability and transparency must be kept in mind when you are following your plan.

I am pleased that NDC successfully continues to deliver its business plans within the GN's timelines. I am also encouraged by your focus to generate new opportunities while continuing to enhance the financial capacity of the Corporation and the subsidiaries. In addition, I look forward to receiving quarterly updates on the following 2013-14 priorities:

- Pursue strategic partnerships in sectors such as arts & crafts, business development, food production, fur and fashion, sealing, tourism and the traditional economy.
- Place all food production, whether char, muskox or caribou, back into Nunavut.
- Place investments totaling \$500,000 with qualifying business enterprises operating in Nunavut's commercial fishing and tourism sectors.
- Continue to develop the country food hub and spoke model supporting sustainable commercial harvesting and complete distribution of finished products within Nunavut.
- Develop an improved public relations strategy.
- Critically assess the performance of any existing subsidiary company from a cost per job creation position and take corrective action necessary for those companies deemed ineffective according to the Corporation's own investment guidelines.
- Pursue divestment of NDC majority ownership at Pangnirtung Fisheries.

### **Accountability and Financial Management Reporting Expectations for 2013-14 Fiscal Year**

The *Financial Administration Act (FAA)*, in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies in general and territorial corporations in particular. Additionally, in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations have issued directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities through tabling in the Legislative Assembly include:

- The Corporation's Business Plan, at the same time as the GN's Business Plan is tabled.
- A yearly comprehensive report on all procurement, contracting and leasing activities undertaken by NDC. This report, or reports, should contain at a minimum the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. (In preparing the Lease Activity Report, please ensure that information, which may provide an unfair business advantage to potential competitors, is not disclosed).
- Formal responses to letters of expectation, letters of instruction, and Ministerial directives at the first session of the Assembly subsequent to the Corporation receiving such correspondence.

During 2013-14 you are again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable.
- Management letters or other reporting (including the Corporation's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the Corporation for the year.
- A comprehensive list of all leasing activity, if different to the public Lease Activity Report above.
- NDC is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Service Accounting Standards are appropriately implemented in all financial reporting.
- NDC will direct its auditors to copy the Comptroller General on management letters and/or other reporting.

It is also important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the Corporation continue its close working relationship with the Department of Finance at all levels. The relationship needs to be nurtured on both parts with an effective flow of information, both formally and informally.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectation. I also look forward to reviewing your response to this letter.

In replying to this letter, please copy Chris D'Arcy, Deputy Minister of Finance, who will ensure that all public agency responses are tabled in the Legislative Assembly by the Chairman of the Public Agencies Council at the appropriate time.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Peter Taptuna', written in a cursive style.

Honourable Peter Taptuna  
Minister Responsible for Nunavut Development Corporation

Cc: Chris D'Arcy, Deputy Minister, Department of Finance  
Robert Long, Deputy Minister, Economic Development & Transportation



Additionally, the GN is committed to fully implementing the Official Languages Act and the Inuit Language Protection Act, ensuring Nunavummiut can communicate in their preferred language. I remind you of your obligation to work towards developing and implementing an Inuit Language plan to ensure all clients can communicate in their language of choice.

### **Expectations and Priorities for 2013-14**

As Minister responsible for NHC, I have reviewed and approved your 2013-14 business plan and budget. It is my expectation that you will adhere to the priorities and principles that have been stated. NHC has fulfilled the Minister of Finance's April 16, 2010 Directive regarding financial and management reporting and the Directive has since been lifted. I expect our continuous goal of achieving improved accountability and transparency to be kept in mind when you are following your plan.

I am pleased that NHC successfully continues to deliver its business plans within the GN's timelines and with the recent tabling of the contracting reports for the years ended March 31, 2010, 2011 and 2012. I am also encouraged by NHC's tabling of its 2011-12 Annual Report – Innovation in Action and the 2013-14 Projected Construction Report.

With regards to the Corporation's work in 2013-14, in addition to regular reporting on the Corporation's planned activities as stated in the Corporation's 2013-16 Business Plan, I look forward to receiving regular updates on your:

1. Advisory and Administrative Services
  - a. Progress on the development of an implementation and financial plan for the GN Comprehensive Long Term Housing Strategy.
  - b. Progress on the completion of the Corporation's organizational structure review.
  - c. Progress on the identification of training, mentoring, development and staffing opportunities for beneficiaries within NHC, through the NHC's Inuit Employment Plan committee.
2. Public Housing
  - a. Progress on the implementation of the changes made to the Public Housing Rent Scale as per the results of the Public Housing Rent Scale Review.
3. Staff Housing
  - a. Progress on the enhancement of the GN staff housing portfolio in close partnership with GN departments to meet their staff housing requirements, particularly in communities with growing staff housing requirements.
4. Homeownership
  - a. Progress on the implementation of any changes to NHC's home ownership programs resulting from the GN Comprehensive Long Term Housing Strategy.
  - b. Plans for the promotion of homeownership in Nunavut through publicity and promotion as well as through education and counseling.

I look forward to meeting with you to discuss the status of these priorities and the Corporation's overall performance.

### **Accountability and Financial Management Reporting Expectations for 2013-14 Fiscal Year**

The *Financial Administration Act (FAA)*, in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies in general and territorial corporations in particular. Additionally, in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations have issued directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities through tabling in the Legislative Assembly include:

- The Corporation's Business Plan, at the same time as the GN's Business Plan is tabled.
- A yearly comprehensive report on all procurement, contracting and leasing activities undertaken by NHC. This report, or reports, should contain at a minimum the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. (In preparing the Lease Activity Report, please ensure that information which may provide an unfair business advantage to potential competitors is not disclosed).
- Formal responses to letters of expectation, letters of instruction, and Ministerial directives at the first session of the Assembly subsequent to the Corporation receiving such correspondence.

During 2013-14 you are once again instructed to give attention to the following ongoing reporting responsibilities through the Department of Finance:

- Board approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable.
- Management letters or other reporting (including the Corporation's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the Corporation for the year.
- A comprehensive list of all leasing activity, if different to the public Lease Activity Report above.
- NHC is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Service Accounting Standards are appropriately implemented in all financial reporting.

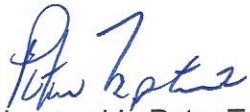
In addition to these ongoing reporting responsibilities, it is essential that you work with the Department of Finance to develop and implement a quarterly reporting system to closely monitor and report on projects that utilize the \$100M the GN will receive from the CMHC as announced in Federal Budget 2013.

It is also important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the Corporation continue its close working relationship with the Department of Finance at all levels. The relationship needs to be nurtured on both parts, with an effective flow of both formal and informal information.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectation. I also look forward to reviewing your response to this letter.

In replying to this letter, please copy Chris D'Arcy, Deputy Minister of Finance, who will ensure that all public agency responses are tabled in the Legislative Assembly by the Chairman of the Public Agencies Council at the appropriate time.

Sincerely,



Honourable Peter Taptuna  
Minister Responsible for Nunavut Housing Corporation

c.c. Chris D'Arcy, Deputy Minister, Department of Finance





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Minister Responsible for Qulliq Energy Corporation  
Ministak Kamayiuyuq Qulliq Umaqqutit Kuapurisankunik  
Ministre Responsable de la Société d'énergie Qulliq

May 30, 2013

Simon Merkosak  
Chairperson, Board of Directors  
Qulliq Energy Corporation  
PO Box 120  
Pond Inlet, NU X0A 0S0

**RE: Qulliq Energy Corporation Letter of Expectation 2013-14**

Dear Mr. Merkosak:

Please find herein the Letter of Expectation for the Qulliq Energy Corporation (QEC) for the fiscal year 2013-14. The purpose of this letter is to help provide QEC's Board of Directors and the President/CEO direction by outlining the priorities and desired outcomes of the Corporation, as well as reporting responsibilities and the ongoing liaison with the Government of Nunavut (GN). I ask that you share this letter with your peers on the Board of Directors as well as with the President of QEC in order to discuss as a group how to successfully implement these priorities and how to monitor and assess their progress.

**Mandate and Core Services**

*"QEC provides safe, reliable and efficient electricity and plans long term affordable energy for Nunavummiut"*

**Tamapta Priorities**

*Tamapta 2009-13* looks toward where Nunavummiut and the Territory will strive to be in the next 20 years while setting out the mandate for government from 2009-13. The GN outlines a vision for the future that includes:

- Nunavummiut will continue to have a highly valued quality of life and a much better standard of living for those in need;
- Individuals and families will be active, healthy and happy;
- Communities will be self-reliant, based on Inuit societal values, with reduced dependence on government; and
- Nunavut will be recognized for our unique culture, our ability to help one another and for our useful contributions to Canadian and global issues.

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✉ Box 2410, Iqaluit, NU  
X0A 0H0 Canada

☎ 867-975-5026  
📠 867-975-5042

QEC plays an integral role in helping to achieve this vision. In particular, reducing poverty and supporting community-based sustainable economies are *Tamapta* priorities that QEC must take into account during the course of your strategic planning and your daily work.

QEC is asked to continue to seek alternatives to diesel fuel for electricity generation, concentrating on renewable energy sources in Nunavut such as hydro, wind and solar power. I look forward to updates on the Corporation's progress in implementing alternative energy systems into its energy infrastructure.

Understanding that diesel generation will remain the core means of power generation in Nunavut for many years to come, I ask that QEC continue to work to improve the efficiency of existing power plants while advancing an Infrastructure Renewal Program through the development of plans/designs for power plant replacement in the short and long-term.

As a member of QEC's Board of Directors, it will also be your responsibility to implement priorities that are directed at all public agencies and GN departments. The Corporation must work at enhancing efforts to incorporate Inuit Societal Values into programs and services as well as increasing beneficiary employment to the level mandated by the Nunavut Land Claims Agreement. Your commitment to *Tamapta* is critical in the continuous development of Nunavut.

In March 2013 a new Public Service Act was introduced in the Legislative Assembly. Should the Act receive assent, the GN will be working to implement the changes: you are responsible for ensuring that employees of QEC are made aware of their rights and duties under the existing and prospective legislation and that the Act is fully implemented at the QEC.

Additionally, the GN is committed to fully implementing the Official Languages Act and the Inuit Language Protection Act, ensuring Nunavummiut can communicate in their preferred language. I remind you of your obligation to work towards developing and implementing an Inuit Language plan to ensure all clients can communicate in their language of choice.

### **Corporate Expectations and Priorities 2013-14**

QEC has seen great accomplishments over the last year in your efforts to maintain and improve electrical infrastructure, while also improving accountability to key stakeholders, the GN and to your customers. I am also pleased that QEC continues to successfully deliver its business plans within the GN's timelines and with the tabling of the 2008-09 and 2009-10 procurement, leasing and contracting activity reports. I look forward to receiving your 2010-11 and 2011-12 procurement, leasing and contracting activity reports as well as the major infrastructure expansions, plant replacements and upgrades in your 2013-14 capital plans.

For 2013-14, the GN is looking to QEC to advance on the priorities outlined in your business plan, particularly the following:

- Obtain a mandate and reach a collective agreement with the QEC unionized workforce.
- Working with QEC Finance and HR/OD, develop and implement a customer service strategy.

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- Implement an Enterprise Risk Management program across the entire functional organization.
- Complete Phase III of the Iqaluit Plant Expansion.
- Finalize the 40 Year QEC Capital Planning document.
- Undertake a Supervisory Control and Data Acquisition (SCADA) study and implementation in Kitikmeot and Kivalliq Regions.
- Develop and implement a plan to meet the financial requirements of the annual capital budget until the implementation of the new utility rate goes into effect in 2015.
- Submit a General Rate Application for the 2014-2015 test year.
- Finalize Phase III of the development of the Emergency Management System.
- Complete three Environment Delineation Studies (Phase I, II & III) at QEC power plant properties throughout Nunavut. Communities are determined according to the assessment priority list.
- Complete disaster recovery planning and policies.
- Design SCADA system, procure hardware/software and install in five Kitikmeot and seven Kivalliq power plants.

#### **Accountability and Financial Management Reporting Expectations 2013-14**

The *Financial Administration Act (FAA)*, in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies in general and territorial corporations in particular. Additionally, in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations have issued directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities through tabling in the Legislative Assembly include:

- The Corporation's Business Plan, at the same time as the GN's Business Plan is tabled.
- A 2011-12 comprehensive report on all procurement, contracting and leasing activities undertaken by QEC. This report, or reports, should contain at a minimum the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. (In preparing the Lease Activity Report, please ensure that information, which may provide an unfair business advantage to potential competitors, is not disclosed).
- Formal responses to letters of expectation, letters of instruction, and Ministerial directives at the first session of the Assembly subsequent to the Corporation receiving such correspondence.

During 2013-14 you are once again instructed to give attention to the following ongoing reporting responsibilities through the Department of Finance:

- Board approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable.

- Management letters (and the Corporation's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the Corporation for the year.
- A comprehensive list of all leasing activity, if different to the public Lease Activity Report above.
- QEC is asked to work with staff at the Department of Finance's Financial Reporting and Controls to ensure Public Service Accounting Standards are implemented in all financial reporting.

### Conclusion

I look forward to discussing the priorities and expectations stated in this Letter of Expectation with you, the Board of Directors and the President. I also look forward to reviewing your response to this letter.

In replying to this letter, please copy Chris D'Arcy, Deputy Minister of Finance, who will ensure that all public agency responses are tabled in the Legislative Assembly by the Chairman of the Public Agencies Council at the appropriate time.

Yours Truly,



Hon. Monica Ell, MLA  
Minister responsible for Qulliq Energy Corporation

c.c. Chris D'Arcy, Deputy Minister, Department of Finance, GN  
Peter Mackey, President & CEO, QEC