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Ordered that the following actions with respect to the revenue and energy requirements of the Province be and they are hereby approved:

- (1) to continue the action presently before the Supreme Court of Newfoundland based upon access under Clause 2(e) of Part 1 of the Lease made pursuant to The Churchill Falls (Labrador) Corporation Limited (Lease) Act, 1961, the Act No. 51 of 1961.

(2)



  
  
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(3) 

- (4) that the Department of Finance, in cooperation with Newfoundland Hydro and using the services of Mr. Ron Ritchie as required, undertake a thorough assessment of the bond acquisition approach with particular reference to investigating how the "proxy" or voting power of the bondholders can be deployed in favour of the Province;
- (5) that the Department of Finance undertake an analysis of the effects of various revenue options, such as a fixed asset property tax and a revised water power royalty, on the entitlement to equalization payments from the Government of Canada to the Province of Newfoundland;
- (6) that Newfoundland Hydro, in conjunction with the Department of Industrial Development, the Intergovernmental Affairs Secretariat and the Cabinet Secretariat, prepare a detailed analysis of the value of Upper Churchill power to the Province of Newfoundland and to the Province of Quebec. Such analysis to be available for the purposes of




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preparation of draft legislation and/or any negotiations with the Province of Quebec;

- (7) that a proposal be made to the Government of Canada stating that Gull Island is the Lower Churchill development site preferred by the Government of Newfoundland and Labrador. This proposal to request the commitment of the Government of Canada to the project and that the Government of Canada accept responsibility for resolving the problem of the transmission of power through the Province of Quebec, in the National interest;
- (8) in the event that the Government of Canada will not give a commitment to the Gull Island project and will not accept responsibility for resolving the problem of transmission of power through the Province of Quebec, then an alternate proposal be made to the Government of Canada recognizing the above facts and stating that development of the Muskrat site would be an acceptable second choice of the Government of Newfoundland and Labrador as a joint Federal/Province project;
- (9) that the long term energy policy of the Province consider the Upper Churchill as a source of domestic energy requirements and that development of the Lower Churchill be considered for export purposes;



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- (10) in preparation for the success of the efforts to recall Upper Churchill power and the development of Lower Churchill potential, as recommended by the Lower Churchill Development Corporation, that Newfoundland Hydro commence immediately to draw up plans for the construction of a transmission line from Labrador to the Island;
- (11) that Newfoundland Hydro undertake a thorough assessment of the feasibility of a Cabot Strait Power Crossing, possibly in cooperation with the Power Authority of the State of New York, to provide an option which would make the Province less dependant upon the Government of Canada and the Province of Quebec;
- (12) in the belief that the Government of Newfoundland and Labrador will be successful in its efforts to have power made available to the Province from either the Upper or Lower Churchill or both,  consortium be informed that the Province would encourage the development of an economically viable aluminum smelter which meets all environmental standards;
- (13) that the Department of Industrial Development continue to identify energy intensive industries



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with particular reference to such industries as might be related to offshore oil and gas production; and

- (14) that Newfoundland Hydro, in cooperation with the Petroleum Directorate, undertake an assessment of the feasibility of using natural gas, from oil fields on the Northeast Grand Banks, for the purpose of thermal power generation on the Island. Such gas to be brought to shore by way of a pipeline, with entitlement to access as provided under the Petroleum Regulations.

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Clerk of the Executive Council