

A non-comprehensive selection of statements made by Danny Williams in the House of Assembly regarding the development of the Lower Churchill, retrieved from Hansard at <https://www.assembly.nl.ca/HouseBusiness/Hansard/>. Document prepared by Commission staff.

Date	Statement
Nov 18, 2002	<p>MR. WILLIAMS: Mr. Speaker, my questions this afternoon are for the Premier. I guess after the by-election last week and the stormy weather last night, it is an indication of a stormy session for the Premier to come, so I hope he battens down the hatches.</p> <p>Mr. Speaker, by 2010 the Government of Quebec is forecasting a shortage of power that will leave them unable to meet their commercial obligations. Cheap power is the foundation of their energy plan and their key to economic development. One would think, therefore, that Quebec's shortage of power would put our negotiating team in the driver's seat during negotiations on the Lower Churchill. With such obvious negotiating power, Mr. Speaker, could the Premier please tell the people why he did not use the Lower Churchill as a bargaining lever to address the inequities of the Upper Churchill contract? Would the Premier explain why he quit on the objective of every single Government of Newfoundland and Labrador since the deal was signed over thirty years ago?</p>
Nov 18, 2002	<p>MR. WILLIAMS: Mr. Speaker, the Chair of this government's \$3 million-plus Royal Commission on our place in Canada has long since advocated the importance of addressing the inequities of the Upper Churchill as part of any new deal to develop the Lower Churchill. In fact, that Chairman said - and I quote him -</p> <p>MR. SPEAKER: Order, please!</p> <p>The hon. member is on a supplementary. I ask him now to get to his question.</p> <p>MR. WILLIAMS: In fact he once said - this is a quote from the Chairman: Regardless of the benefits derived from the Lower Churchill, they cannot even begin to make amends for the Upper Churchill.</p> <p>I continue to quote, Mr. Speaker: -</p> <p>MR. SPEAKER: Order, please!</p> <p>I ask the hon. member now to get to his question; he is on a supplementary.</p> <p>MR. WILLIAMS: It would be another sad day in our history if the benefits of a new deal were not placed before the people of Newfoundland and Labrador in that context.</p> <p>Mr. Speaker, can the Premier please tell the people of Newfoundland and Labrador: Is the Chair of his Royal Commission wrong or is he more interested in our place in Quebec rather than our place in Canada?</p>

Nov 19, 2002	<p>MR. WILLIAMS: Thank you, Mr. Speaker.</p> <p>My questions are for the Premier. Mr. Speaker, yesterday, as a result of questions, four matters were confirmed: One, that there is no redress on the Upper Churchill, that the Premier and his government have quit on us and have quit on this issue. Two, the Premier failed to use Quebec shortage of power in the next ten years as a lever to renegotiate the Upper Churchill. Three, the Chairman of their own Royal Commission, Vic Young, has said that such an action would be a sad day for this Province; and four, the Premier already has another multi-million ad campaign planned on the back of Newfoundland and Labrador to launch this giveaway.</p> <p>Mr. Speaker, my question is for the Premier. According to media reports last night and this morning, the term of this agreement, the agreement on the Lower Churchill, will be forty-five years from the completion of the project which means that it would expire in the year 2055 at the earliest. Would the Premier please confirm that the term of this contract is, in fact, forty-five years or more and takes us fourteen years beyond the expiration of the Upper Churchill agreement?</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>MR. SPEAKER: The hon. the Premier.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>PREMIER GRIMES: Thank you, Mr. Speaker.</p> <p>Let me confirm one thing for everybody in Newfoundland and Labrador, the Leader of the Opposition, Members of the House of Assembly and every single person in Newfoundland and Labrador, for those who want to find reasons not to proceed with Gull Island and Lower Churchill, trying to have the Government of Quebec agree at that bargaining table to reopen the Upper Churchill contract will mean that it will never be done until after 2041. So, if you want a reason not to proceed and not to even have a discussion about the possibility of developing the Lower Churchill for another thirty-nine years, then that is the position that has to be taken.</p> <p>What this government has done, Mr. Speaker, is found a way to go ahead with developing the Lower Churchill while leaving all of our options open, including any that might be found for us through the Royal Commission, to challenge the Upper Churchill contract in any other venue, any other avenue, any other recourse at any time. But, if it is to be done as a precondition, every time that has been put to the Government of Quebec the answer has been absolutely no. For one reason, because the former, former, former, former Premier of Newfoundland and Labrador, Mr. Peckford, who is back making statements about it, went to court, challenged it and lost. Every time since then, that the Government of Newfoundland and Labrador has gone and said: let's reopen it. They said: your government challenged, your government went to court, the court reaffirmed the validity of the contract and we will not be opening the contract for any purposes of saying, because we want to do a new deal, we will do a new deal on its own merits if it makes sense.</p> <p>So, Mr. Speaker, that is the number one reason. If anyone wants to use it, and I say it quite clearly so people understand, that there would not even be a discussion. We would let the water run to the</p>
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sea for another thirty-nine years with no benefit to anybody in Newfoundland and Labrador, under any set of circumstances, with that particular point of view. If that is the view of the Opposition, which I believe it is, supported by one of their great heroes, Mr. Peckford, then, by all means, we have a circumstance where for thirty-nine years nobody should even talk about any development on the Lower Churchill or any circumstance if that is to be a precondition.

MR. SPEAKER: Order, please!

I ask the hon. the Premier now to conclude his answer.

PREMIER GRIMES: Mr. Speaker, the term of a contract, if we are fortunate enough to get one that works for Newfoundland and Labrador, will be long enough to pay for the debt of building it, to pay for the operations of it, and to make it profitable for Newfoundland and Labrador from the very first year of operation. Otherwise, we will not do the deal.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: A supplementary, the hon. the Leader of the Opposition.

SOME HON. MEMBERS: Hear, hear!

MR. WILLIAMS: If I might summarize, the answer is: Yes, it is a forty-five year deal.

Not only have we quit on changing the worst deal possibly in the history of North America, we have now in fact extended it another fourteen years.

Mr. Speaker, my four-year-old granddaughter, Abby, will be sixty years of age when that expires. My great-great-grandchildren might see the light of day, providing there isn't another Liberal government between now and then that is going to give the rest of the shop away.

Mr. Speaker, I also heard this morning that the Liberal caucus was quoted as saying that the Province of Quebec - our great benefactors, the Province of Quebec - are generously providing the financing for the project, and I assume out of the goodness of their hearts.

Mr. Speaker, I ask the Premier: Why can't the Government of Newfoundland and Labrador do this project ourselves, with a guarantee from the Government of Canada? Did you not know that the Government of Canada has guaranteed two companies? One company, Bombardier, got this amount of money on a federal guarantee, and Nortel, a company that is nearly gone, also got a guarantee. Why don't we do it ourselves and not rely on Quebec?

Nov 26, 2002	<p>MR. WILLIAMS: The least you could do is show some respect for two former premiers of this Province.</p> <p>Two Members of Parliament, John Efford and Lawrence O'Brien; two former Chairpersons of Newfoundland and Labrador Hydro, Vic Young and Dean MacDonald; two Directors of Newfoundland and Labrador Hydro, Mark Dobbin and Bill Kelly; former Minister of Mines and Energy, Chuck Furey; myself, as Leader of the Opposition, and my fellow caucus members. As of last Thursday - not as of today, because it is an increasing number - 67 per cent of the people of Newfoundland and Labrador.</p> <p>Mr. Speaker, last week I raised a number of issues concerning the terms of the pending deal for on the Lower Churchill. In light of more recent developments, I would like to ask the Premier for clarification on some of these issues. Will the Premier please confirm that the financing arrangements for this project will saddle our Province of Newfoundland and Labrador with 100 per cent of the cost overruns?</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>MR. SPEAKER: The hon. the Premier.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>PREMIER GRIMES: Thank you, Mr. Speaker.</p> <p>I do recognize that some of the people mentioned by the Leader of the Opposition have expressed some concerns, and rightfully so, because if what is described by the Leader of the Opposition as being the arrangement, we would be concerned too. That is the whole point, Mr. Speaker. The fact of the matter is, they are responding to a version of an arrangement described only by the Leader of the Opposition. If that was the arrangement, I can tell you, there would not be anybody here supporting it. Not a soul on this side would be supporting what he has described.</p> <p>Just to use the one example about the financing arrangement. When we are - because there was a phrase used, I think, by the former Chair as well, about lopsided financing arrangements. The language strikingly similar to that of the Leader of the Opposition; I just say that in passing comment. We have financial experts who will say to the people of the Province, if we are fortunate enough to have a deal to talk about - because we are trying to do it, not trying to find ways not to do it. We are trying to find something to develop Newfoundland and Labrador, not to live another thirty years of sad days doing nothing. These financial experts have advised this caucus and have advised the board of Hydro - which is why, I guess, seven of them had very few, if any, reservations in terms of supporting the arrangement. They would say that the financing they have been privy to - because it was confidential to the Chair of the board, to all the board, it has been confidential to this caucus - that the financing arrangements - and we will gladly make it public to the people of the Province - will be the exact opposite of what has been described. As a matter of fact, it is described by financial experts who have advised this government for over thirty years, people from institutions like Merrill Lynch, to be the best financing arrangements available in the</p>
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marketplace today. The absolute best arrangements available today.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

SOME HON. MEMBERS: Hear, hear!

MR. WILLIAMS: Thank you, Mr. Speaker.

It appears that three directors on the Board of Newfoundland and Labrador Hydro agree with some of the issues that have been raised here today, including the nominee from Labrador, Mr. Bill Kelly. It is obvious that the Premier disagrees with Mr. Kelly's position.

Mr. Speaker, there are now other opinions from the Board of Newfoundland and Labrador Hydro that there is a relatively high probability that because of overruns on cost we could lose the entire project to Quebec, or our return on the project could be minimal, or, in fact, nothing. Mr. Speaker, would the Premier confirm that there are provisions in the deal whereby we could lose the project to Quebec, or our profits could be little or nothing if there are overruns?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER GRIMES: Thank you, Mr. Speaker.

The financial advisers that advise the Government of Newfoundland and Labrador - our negotiators who have been at this for parts of four years, but certainly very intensely in the last year-and-a-half, and certainly in the last several months. These are longstanding financial advisers to the Province and the people of Newfoundland and Labrador. These are the same financial advisers with the same international reputations who advised Premier Moores, Premier Peckford, he would have advised Premier Rideout had he asked for any and been around long enough to get some - not said in an unkind fashion, just stating a fact. They have advised all of the Premiers of the Province consistently with a world and international reputation.

They have indicated the exact opposite and will provide full detail and full written and public documentation that in their opinion, as advisers around the world in looking at the arrangements here, that in fact there is an extremely high probability that the revenues from this project will be extremely positive and significant for the Province of Newfoundland.

Dec 4, 2002	<p>MR. WILLIAMS: Thank you, Mr. Speaker.</p> <p>Mr. Speaker, I thank the Premier for that answer, that in fact from 2010-2055 there will be in fact fifty long-term jobs created by this project in Labrador.</p> <p>Mr. Speaker, even more information came from the meeting in Labrador which the Premier held. Would the Premier confirm that he told that private meeting that the prefabrication of the turbines and powerhouse components would be done by Quebec companies, in Quebec?</p> <p>MR. SPEAKER: The hon. the Premier.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>PREMIER GRIMES: Thank you, Mr. Speaker.</p> <p>If the Leader of the Opposition has some difficulty dealing in the real world, the context of the discussion was this: We acknowledged that when we tried to secure benefits for Newfoundland and Labrador in offshore projects such as White Rose, that there was not much point in the people of Newfoundland and Labrador trying to suggest that the benefits to Newfoundland and Labrador could include the building of the hull, the actual vessel that is going to contain the drill rigs, the accommodations, the facilities and all of the modules, because that cannot be done anywhere in Canada, anywhere in North America. It was a \$600 million piece of a \$2.35 billion project.</p> <p>The reality is - and the people in the room, Mr. Speaker, understood it fully and appreciated the honesty of it, they appreciated the forthrightness of it, and they appreciated the fact that we are dealing with real issues - that if there is anybody - and if this is what the Leader of the Opposition is suggesting - that maybe to build a single powerhouse in Labrador, that somebody is going to build a plant in Newfoundland and Labrador to start producing turbines for power plants, if that is what he is suggesting, that that is in the real world as a possibility, then I guess he should go and put those false hopes out before people, if that is what he wants to do. We deal with it realistically, and we understood -</p> <p>MR. SPEAKER: Order, please!</p> <p>I ask the hon. the Premier now to conclude his answer.</p> <p>PREMIER GRIMES: The question was this, Mr. Speaker, that the turbines are already being built by plants in Quebec. They will either be built in Quebec, somewhere else in Canada, somewhere else in the United States, or somewhere else in the world. We acknowledge they will not be built in Newfoundland and Labrador now or in the foreseeable future.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>MR. SPEAKER: The hon. the Leader of the Opposition.</p>
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SOME HON. MEMBERS: Hear, hear!

MR. WILLIAMS: Thank you, Mr. Speaker.

Unfortunately, Mr. Speaker, it is because of that attitude by our Premier that we have the highest unemployment rate in the country, and that is why our people, our young people, are leaving our Province.

SOME HON. MEMBERS: Hear, hear!

MR. WILLIAMS: It is a quitting, can't-do attitude.

SOME HON. MEMBERS: Oh, oh!

MR. WILLIAMS: We will contrast a more can-do attitude by the Premier of Quebec.

Mr. Speaker, last month, in his economic plan for the next three years, called Horizon 2005, Premier Landry of Quebec said his government is concentrating on an agreement with Newfoundland and Labrador concerning the development of Gull Island which could lead to the creation of numerous jobs and numerous business opportunities for Quebecers. That is the contrast with our Premier.

Mr. Speaker, I ask the Premier: Why are we entering into an agreement to create numerous jobs and opportunities for Quebecers and only fifty long-term jobs for Newfoundlanders and Labradorians?

May 8, 2006	<p>PREMIER WILLIAMS: No, I think it was clearly indicated at the press conference this morning that, you know, any people who have an interest in being involved in the project, whether they happen to be customers, whether they happen to be financiers, whether they happen to be contractors, they could all be involved, or any of them could be involved, at any point in time.</p> <p>By taking the lead we are in full control of the project, unlike the circumstance with the last government; that project, basically, was going to be controlled by Quebec. It would have been marketed, it would have been financed, the transmission would have been done by Quebec. The control of the project, the project management, would have been done by Quebec. As well, if there had been an overrun on the project, the last Lower Churchill project that was proposed by the Grimes government, in fact, we could have lost the project; because, if there had been an overrun, we would not have been in a position to be able to finance it.</p> <p>This is a completely different situation. We now are basically inviting people who want to bring their expertise, but the biggest thing is that we are in charge of it. We are in the driver's seat here.</p>
May 8, 2006	<p>PREMIER WILLIAMS: Mr. Speaker, the least of our worries on this project is to find someone to buy that power. There is absolutely no doubt about it, there is a huge demand for power, not only in our country but also in the United States. Ontario is crying out for power. They are looking at going back to nuclear; that is a controversial issue. They are looking to buy power from Manitoba. Quebec has announced a new energy plan. They are going to need more power in ten years time. Having a long-term contract, we can find it right here in Canada, or otherwise, if we have to, we can look to the US. We would prefer that this be a Canadian project and that is where we would be looking.</p> <p>An interesting piece of information, just for members of the House of Assembly: Quebec buys power from us for one-quarter of one cent. The power that they were able to sell on the export market, on the stock market, which is the cream, which is what we want to make sure we secure, they are selling for twelve point four cents. They are basically making fifty times profit on what we sell that power to them for. They buy it for a quarter of one cent and they sell it for twelve and a half cents. We want to get that return on our Lower Churchill power. That is what we are doing.</p>
May 8, 2006	<p>PREMIER WILLIAMS: Mr. Speaker, in anticipation of this announcement today, I spoke last night with the Prime Minister to indicate to him that this was proceeding and exactly what we were doing. I spoke to the Premier of Ontario, Dalton McGuinty, to indicate that we were proceeding on a go-alone basis but that we would certainly be prepared to entertain the Province of Ontario as a customer. I spoke to the Premier of Quebec, Jean Charest, and talked to him about what our plans were. We discussed briefly his energy proposals, which were released just last Friday. He indicated to us that they had gone ahead with their energy plans on the basis that - they assumed that we were probably going to do the Lower Churchill project on our own.</p> <p>With regard to the transmission of power and how the power is going to be wielded, we took a unique approach and a smart approach, quite frankly. We made an application to Trans-Energy so that we would be able to wield that power through Quebec. If, in fact, we do not sell any power to Quebec, well then we would have the right under the FERC rules, basically, to transmit and to</p>

	<p>transport power through Quebec. That is a right which is there. They are allowed to wield into the States, therefore we should be allowed to wield through Quebec, and we do not expect to have a contrary ruling on that.</p> <p>In answer to your question; if we do not sell power to Quebec we would still use their facilities. If there is a need for upgraded facilities, they would be upgraded and we would pay a tariff for doing that; no different than anybody who uses the poles in the city to provide cable services or anything else. I have been there before, I know what it is all about.</p>
May 8, 2006	<p>PREMIER WILLIAMS: In the quote that I mentioned before from Prime Minister Harper, when he was here on December 6 and he made reference to the fact that they were prepared to do the guarantee. He also went on to say that we obviously have had only preliminary discussions on how it would be structured, but the truth is that there has been legislation in place, both federally and provincially, for over thirty years now setting up a joint corporation, allowing for the federal government to get involved in this. His statement here is interesting as well, actually: I think we owe it to Newfoundland and Labrador, because of what happened with the Upper Churchill, to help. So, obviously, the federal government are very clearly on side.</p> <p>In answer to your question, the corporation was incorporated in December of 1978. Right now, it is a shell corporation. It is not active; it holds its annual meeting. It is 51 per cent controlled by the provincial government, 49 per cent by the federal government. It has an option to exercise, to use the water rights; so, it is an option that corporation can exercise if the Government of Newfoundland and Labrador wanted that corporation to be the vehicle. So, if the Prime Minister saw that corporation as a possible vehicle to provide a guarantee, and it could be useful to us, we would use it, but it would not create any equity ownership - unless there was some proposal whereby they wanted to fund part of it directly, we may consider it. It is a shell company that was to be used as a vehicle to help funding.</p>

May 15, 2006	<p>PREMIER WILLIAMS: Mr. Speaker, I didn't say we were prepared to do the Lower Churchill on the basis of a guarantee from the federal government. I said that we did have a commitment from the federal government, that we were prepared to provide a guarantee. What I have said quite clearly though is that, if others, like the Government of Ontario, the Government of Quebec, SNC Lavalin, Trans Canada, and other companies, other groups and other consortiums are prepared to do this project and they consider it to be feasible, why shouldn't Newfoundlanders and Labradorians do it? If everybody else finds it profitable, if everybody else finds it economically feasible, and we have looked it and we have studied it and we think it is feasible, why wouldn't we do it ourselves, why wouldn't we own it ourselves, why wouldn't we keep it ourselves?</p> <p>With regard to the commitment of the Prime Minister: I wrote the Prime Minister during the last election as I wrote a previous Prime Minister during a previous election. I wrote all leaders and got commitments from them in various aspects of the election. This particular Prime Minister came back and said that he would seriously consider a guarantee. When he was in St. John's, at an interview at CBC, he said: I am quite prepared to do that. Now, that is a definitive commitment and we will hold that government to that commitment.</p>
May 15, 2006	<p>PREMIER WILLIAMS: Mr. Speaker, the Prime Minister, in my discussions with him when he was here in the Province and when I returned to the mainland with him, indicated that he wanted to see the business plan for the Lower Churchill. That plan is being prepared. We want to make sure that, when we have the plan to put before the government, we have the very best possible plan that we can put forward, so we actually have Newfoundland and Labrador Hydro and the minister's department working on that right now. It will not be a power point presentation, like the Member for Bellevue did when he used to drive up to Ottawa and look for \$800 million or a billion dollars and come up with a power point and turn around with nothing.</p> <p>In answer to that, we are in the process of preparing a business plan to present to the Prime Minister, which, in all fairness, he wants; and the federal minister, Minister Hearn, is clearly on the record that he very strongly supports the Lower Churchill and our involvement and our lead on the Lower Churchill.</p>
May 15, 2006	<p>PREMIER WILLIAMS: With regard to the upgrading of transmission, absolutely, if there is not enough capability to carry what we are trying to deliver to either Ontario or to the United States, it will have to be upgraded.</p> <p>As you are aware, our power will not come on stream until about 2015. Ontario needs a lot of juice right now. They are looking to buy some from Quebec at this particular point in time. If Quebec power is going to be brought into Ontario there will be upgrades necessary, so they will either be done to use our power, to use Quebec power as it presently is. If there are upgrades involved, and if there is additional cost involved, that would be part of the tariff that we would have to pay in order to wield our electricity into other markets, and that is an expense that has been factored in.</p>

May 20, 2008	<p>PREMIER WILLIAMS: Mr. Speaker, to date, as the hon. member opposite is aware, there has not been any redress granted to the people of Newfoundland and Labrador, the Government of Newfoundland and Labrador, on the Upper Churchill, and that is an ongoing problem. Of course, as you know, the renewal comes up in 2016, and then there is an automatic renewal out to 2041; and, of course, our Energy Plan speaks from that date.</p> <p>I have also indicated, too, that if the Lower Churchill is not going - if the power is not going to go through Quebec, then there will not really be an opportunity in that particular project to interface with Quebec. If we happen to go east and we go south then we will not be dealing with the Province of Quebec or Hydro-Quebec at all.</p> <p>The only opportunity where there would be an opportunity to discuss redress in that package is if we go into Quebec and then on out through to Ontario.</p>
May 20, 2008	<p>PREMIER WILLIAMS: Mr. Speaker, I have said from time to time we are keeping all of our options open; and, of course, that is the wise thing to do because it enables us then to leverage the best possible deal, whether it is east and south or whether it is west and south. So, from that perspective, there is always a possibility that a deal could be done with Quebec; but, of course, they would obviously have to pay fair market value.</p> <p>The problem with Quebec is they have always tried to basically cut us off at the border. So, once we get to the border of Labrador and Quebec, they want us then basically to hand our power over to them.</p> <p>In the last agreement which was being done with the Grimes government, they were going to build it, they going to contract it, they were going to own it, they were going to manage it, they were going to market it, they were going to finance it, and they were basically going to take control of the whole project.</p> <p>We have reversed that; we have said Newfoundland and Labrador, in partnership with the Innu, should do this project, and that is really where we still stand on that, but, by the same token, when we have made applications - and we have a very sophisticated team looking at this...</p> <p>which we can be very confident in, and very proud of. Basically, what we have said to them is make the necessary applications to go south and make the necessary applications to go west and south, and that is exactly what we are doing, and we are keeping all options open at this time.</p>
May 20, 2008	<p>PREMIER WILLIAMS: Open Access and Transmission - which is the first time the Province has ever done it, so we have actually positioned ourselves and got ourselves in the queue, in position to get access to power. This has kind of thrown Quebec for a loop, because it has never happened before, and now they are finding that for a certain segment of power we are ahead of them.</p> <p>We are now going through the regulatory process, which - I cannot go into all the detail on it, but there are appeals being done through that regulatory process to make sure that any roadblocks that</p>

	<p>are being put up by Quebec can be opened.</p> <p>Now, whether we can get through those or not I do not know, but it is unfortunate that Quebec and Hydro-Quebec are really trying to do this to us on the Lower Churchill when, in fact, they basically stole the Upper Churchill on us.</p>
May 20, 2008	<p>PREMIER WILLIAMS: Mr. Speaker, there have been negotiations and, as I understand it, detailed negotiations, with respect to the claims agreement, of course, and the land claims agreement is the one that we are trying to basically get resolved first. Now there is a situation where it might have been possible, actually, to discuss all of the issues together and see if we can reach a final agreement with the Innu.</p> <p>On the public airwaves last week, Peter Penashue indicated that there would be no deal without redress; and, of course, this government does not take ultimatums very lightly. Redress is something we would certainly look at, but the people of Newfoundland and Labrador have not obtained redress on the Upper Churchill yet so we would be hard pressed to be able to provide generous redress to the Innu on the Upper Churchill under those circumstances, but we do not want to negotiate that aspect of it in public. Nor do I really want to negotiate it here in public, either, but your questions are fair and, if you have any more, we will try and answer them.</p>
May 20, 2008	<p>PREMIER WILLIAMS: I can probably say with 99 per cent certainty that the question of Upper Churchill redress has been raised at the table. Either myself or the ministers have not been at that particular table because the negotiation has not got to that stage yet, but I do understand that it has been raised and it is part of a shopping list of matters that will have to be dealt with in settlement of the full claim. I can tell you, though, that I think the major priority right now would be the quantum and location of land in the land claims.</p>
May 20, 2008	<p>MS JONES: ...I find a lot of governments short on promises these days, I say to the Premier. I guess my next question and my final question on this is: Is a loan guarantee from this federal government still a vital part of this project? I guess if it is, I have to ask: Why is there not any discussions ongoing around it?</p> <p>...</p> <p>PREMIER WILLIAMS: I did not say there have not been any discussions. There have been discussions. There have been representations by the department. There have been representations by Hydro. There have been discussions with Minister Lunn, Minister Baird, if I remember correctly. Certainly, the matter had been raised on previous occasions with the Prime Minister. So everything that can be done is actually being done, but I can tell you categorically, and I have stated it here time and time again, that this Province is going to move forward with or without the federal government. The guarantee would certainly help. It would be a wonderful help. It would make our cost of money easier but this government, this time, like they did to us the last time, they shafted us on the Upper Churchill but they are not going to shaft us on the Lower Churchill, I can guarantee you.</p>

Dec 2, 2008	<p>Mr. Speaker, the current Prime Minister, Prime Minister Harper, had indicated verbally that he would support a loan guarantee.</p> <p>Our strategy on a go-forward basis would be to obtain the 8.5 per cent interest from Hibernia, it would be to obtain a loan guarantee from either the Harper government or a coalition government, and, in addition, it would be to obtain infrastructure funding – rapid infrastructure green funding – from a coalition government or a Harper government in order to help fund the Lower Churchill and/or a transmission line from the Lower Churchill to provide power to other areas.</p> <p>I have in my hands a copy of the policy accord from the recent coalition which was formed. It is interesting to note that they have a fairly detailed proposal laid out with regard to an economic stimulus package, rapid support for those affected by the crisis, other priorities, and in their economic stimulus package it states: accelerating existing infrastructure funding and substantial new investments, including municipal and interprovincial projects, transit, clean energy, water corridors and gateways.</p> <p>...</p> <p>I would suggest, as a result of this accord, if you took the time to read it, you would realize that a new coalition government would support, in fact, clean energy and water, and that is what the Lower Churchill is all about.</p>
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April 2, 2009	<p>Thank you, Mr. Speaker.</p> <p>I rise in this hon. House to share with members and the public at large, what can only be described as a historic day for the Province and the people of Newfoundland and Labrador.</p> <p>You have heard our government say on many occasions that we are striving to take control of our own destiny, we have put action plans in place and we have exercised wise and strategic financial management to position us for future economic growth.</p> <p>We have taken equity stakes in our offshore projects; we have invested in strategic areas of growth; and we have risen above the detrimental actions of the federal government and stood strong in the face of adversity.</p> <p>We have also made it very clear, that we will control the development of one of our most valuable renewable energy resources, the Lower Churchill project.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>PREMIER WILLIAMS: Mr. Speaker, our government's Energy Plan set in place a plan to develop this resource with a view to 2041 when we finally take full control of the Upper Churchill project.</p> <p>In the meantime, we have been working to secure maximum benefits strategically and financially from our recall power from the Upper Churchill project.</p> <p>Since 1998, we have had a power purchase agreement with Hydro Quebec for a block of recall power from the Upper Churchill. This renewal expired on March 31, 2009.</p> <p>Essentially, this agreement gives Hydro the right to recall 300 megawatts at the same price as Hydro Quebec's current pricing under the 1969 Churchill Falls power contract.</p> <p>Nalcor Energy in conjunction with government, decided not to renew this agreement.</p> <p>Instead yesterday, on April 1, we as a Province for the first time in our history sold hydro electric power from the mighty Upper Churchill River in Labrador directly through Quebec and this hydro electric power was then sold into markets in the United States.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>PREMIER WILLIAMS: Mr. Speaker, simply put, we as a Province began wheeling our power through Quebec unfettered to North American markets for the first time in history. This is precisely the obstacle that was not overcome in the original Upper Churchill agreement, resulting in that unfair and lopsided deal.</p> <p>Today, we have overcome that obstacle. We have proven that no challenge is too big or too daunting for our people to take on. In fact, this new arrangement means that we can now sell our</p>
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own power, which may access the United States and Canadian markets.

At the present time, we are working with Emera Energy to have our power get to these markets. We have concluded a sale agreement with them so that with their considerable expertise in the industry our power will be sold into those markets. Our goal is to eventually develop that expertise at Nalcor Energy so that we can act as a seller into the final marketplace.

A maximum of 250 megawatts of power can be transmitted in the summertime through lines out of Labrador through Quebec and into the northeastern United States and can potentially go to other Canadian provinces.

I want to also assure the people of Labrador that the priority of Nalcor and this government is to ensure that local and domestic needs for power are met with recall power. As with past recall arrangements, only energy which is surplus to the Province's own needs would be exported outside of the Province.

We understand from Emera that power from Labrador today is being sold directly into the United States; destination - New York. Newfoundland and Labrador is now taking a bite out of the Big Apple, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Nalcor secured this transmission access through Quebec to the Canada-United States border under Hydro-Quebec's Open Access Transmission Tariff. This represents a tremendous accomplishment and bodes extremely well for the Lower Churchill development as we move forward. It also opens doors in terms of our future ability to sell wind power and other potential energy into a hungry North American marketplace.

Mr. Speaker, this is truly a historic and momentous occasion for the people of our Province, as never before have we been granted access to the Province of Quebec with our own power. This power sales arrangement puts us squarely in the game as a hydroelectricity producer and seller, with our clean, hydroelectric generation being sold from Newfoundland and Labrador and finding its way into the North American marketplace. Just as we have taken equity stakes in our offshore resources, we see tremendous potential for long-term value in entering this business arrangement and will continue to assess future potential.

This is about our Province finally acting in a strategic manner and going through proper processes to wheel our power through our neighbouring Province of Quebec.

Mr. Speaker, what we are talking about today is our future and the future of generations who will follow us. Today's announcement is one more step on that road. Our view is long-term and we will not be swayed by short-term thinking.

I ask all hon. members to join with me in celebrating what is truly an outstanding and significant day in the history of Newfoundland and Labrador.

Sept 8, 2009	<p>PREMIER WILLIAMS: From our perspective, we are very serious about the Churchill. We are not going to go through the process that the Grimes' government went through, and had it all signed, sealed and delivered, and were giving it all off to Quebec, and Quebec were going to market it and they were going to build it and they were going to sell it and they were going to construct it, and we are going to give it away - another big giveaway of the Lower Churchill. We are not going to do that.</p> <p>We are very serious about what we are doing. We have put a lot of time, we have put a lot of money, we have put a lot of hard work, and we have put a lot of effort into this. We have the best people, the best experts that money can buy. We have the best people in the Department of Natural Resources, we have the very best people at Nalcor Energy, and we are going to do it right.</p> <p>When we do it, we are not going to give it away to Quebec, and if it means we are going north-south and we can avoid Quebec, we will, because they are trying to skin us again. They are buying power from us, from the Upper Churchill, at twenty-five cents, and they are selling it for over \$9, thirty-six times what they are paying for it from us. It is disgraceful, and we are not going to let them get away with it, so we are serious.</p>
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Nov 30, 2009	<p>PREMIER WILLIAMS: Mr. Speaker, I rise today to inform members of this hon. House and the general public of action taken today by Churchill Falls (Labrador) Corporation as a result of information which was passed on to that corporation by the provincial government.</p> <p>As everyone in the Province is aware, in 1969 CF(L)Co signed an agreement with Hydro-Quebec for the development of the Upper Churchill River. Today the terms of this agreement provide grossly inequitable compensation in favour of Hydro-Quebec while our Province reaps a pittance by comparison.</p> <p>For example, last year it is estimated that Hydro-Quebec reaped profits from the Upper Churchill contract of approximately \$1.7 billion while Newfoundland and Labrador received a mere \$63 million. CF(L)Co is also responsible for the running, and the upkeep and the maintenance of the Upper Churchill facility.</p> <p>Power which is bought from our Province for a quarter of a cent per kilowatt hour is then resold by Hydro-Quebec for up to thirty-six times the price that they pay for it.</p> <p>Mr. Speaker, the gross inequity of this agreement cannot be denied. It is without a doubt considered the biggest giveaway of resources by this Province; in fact, I would venture to say that there are no other similar agreements of such a disproportionate magnitude in the entire country.</p> <p>Several previous administrations have attempted to remedy this by either requesting a renegotiation of the contract with Quebec or through the pursuit of various legal actions. To date, neither venue has successfully addressed the inequity of this contract.</p> <p>A couple of years ago, I instructed officials to undertake an extensive and thorough review of potential legal remedies. As a lawyer by profession, I was determined to ensure that no legal stone was left unturned.</p> <p>As a result of this review, we have discovered a very legitimate and a compelling legal argument that has not yet been tested in relation to the Upper Churchill contract. Under Quebec's own civil code, there is an obligation imposed by law for parties to act in good faith in all legal relationships, including the negotiation and the ongoing performance of contracts.</p> <p>It is a very important and fundamental underpinning of the Quebec civil code, and one we feel is very relevant to the 1969 Upper Churchill contract. After many, many months of research and having received firm legal opinions from some of the most eminent and brilliant legal minds in Quebec, our Department of Justice informed CF(L) Co of our legal opinion.</p> <p>Mr. Speaker, today President and CEO of CF(L) Co has informed me that after seeking and receiving their own legal opinions he has in fact sent a letter to Hydro-Quebec requesting that they enter into negotiations to amend the pricing terms of the contract for the future so as to finally provide a fair and equitable return to both CF(L) Co and Hydro-Quebec. This would be consistent with the good faith principle that is fundamental to the Quebec civil code.</p> <p>Mr. Speaker, it is our firm hope and desire that Hydro-Quebec will affirm their desire to renegotiate</p>
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	<p>this lopsided contract based upon the moral principles of fairness and more importantly upon the legal obligations under Quebec's own law, which ensure that both parties in an agreement enjoy equity and fairness.</p> <p>Thank you, Mr. Speaker.</p>
Nov 30, 2009	<p>PREMIER WILLIAMS: There has been a fair bit of legal research done over the years in the Province, as far as I know it. Recently, scholars and jurists have come out, and their lawyers have given opinions with regard to certain actions that we could take in specific areas, whether that was taxation, whether was that breach of fiduciary duty</p> <p>What we decided to do was go back and look at all the legal opinions, all the possible options to see if we could find the best option in order to possibly open the door to a renegotiation of the Upper Churchill contract.</p> <p>As the hon. the Leader of the Opposition said before, this is a matter that sticks in the craw of every Newfoundlander and Labradorian. As I said, it is one of the biggest giveaways - probably the biggest giveaway that has ever occurred in the entire country in the history of Canada. So it is something that we feel should be wronged.</p> <p>I, personally, feel that the actions of Hydro-Québec have been wrong. The term: despicable, was used, and I will continue to use that kind of a term -</p> <p>AN HON. MEMBER: Odious –</p> <p>PREMIER WILLIAMS: - odious, greedy.</p> <p>So, on the basis of the legal opinions that we went through and that we obtained from senior legal firms and from eminent jurists in the Province of Quebec, we have decided that was information that was important to be passed over to CF(L)Co, and we did so.</p>
Nov 30, 2009	<p>PREMIER WILLIAMS: The option for this government would be to do absolutely nothing. That is not an option for this government, it has never been an option for this government and it never will be an option for this government.</p> <p>We are trying to do - as other governments have tried, and with the best of intentions, and for various reasons, have failed. We are not prepared to give up on this under any circumstances whatsoever. The loss of revenue to this Province is enormous. It is a renewable energy source. It is hundreds of millions of barrels flowing every year, equivalent to some of the major oil fields that have been discovered out off our coastline.</p> <p>As a result, we feel that we need to pursue this and the best way to pursue this is in good faith. The best way to pursue good faith is to have this information passed over to CF(L)Co. It is my understanding that CF(L)Co have announced today that president, Ed Martin, has now written the</p>

	<p>other shareholders of CF(L)Co to see whether, in fact, in good faith, this matter would be open for renegotiation, and that is a very good thing.</p>
<p>Nov 30, 2009</p>	<p>MS JONES: Thank you, Mr. Speaker.</p> <p>I guess this is a little different from the hard-nosed tactics we have seen the Premier playing with the Lower Churchill issue for some time now.</p> <p>Mr. Speaker, let's not be fooled here. Every single person in this Province wants to see redress on this particular contract. The fact that we ask questions about it does not undermine how we feel about it as well.</p> <p>I ask the Premier, Mr. Speaker: Although the letter has been sent, has there been any indication given at all by Hydro-Quebec that they would even be prepared to discuss any new legal clauses or claims that the Province says that they have been able to find within the contracts, and are they prepared to have any discussion at all around reopening the Upper Churchill agreement?</p> <p>MR. SPEAKER: The hon. the Premier.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>PREMIER WILLIAMS: It is my understanding that they would have probably just received this letter this morning or just early this afternoon, or within the hour, or maybe it is on the way right now. I assume that when the announcement was made the letter had been sent.</p> <p>We, obviously, have had no correspondence from Hydro-Quebec or indication from Hydro-Quebec because this is a matter within CF(L)Co. This is a matter that has to be discussed within them.</p> <p>If, at some point, the Premier of Quebec decided to pick up the phone and indicate to me, as Premier of Newfoundland and Labrador, that he wanted to enter into negotiations to reopen the Upper Churchill contract, well then sure, absolutely, we welcome that, but we do not expect that to happen, it has not happened before. Efforts by previous governments, it has not happened.</p> <p>They have never indicated they wanted to renegotiate the Upper Churchill, so we felt that it was time that we provided information to CF(L)Co so that they could take the initiative to make it happen.</p>
<p>Nov 30, 2009</p>	<p>PREMIER WILLIAMS: I do not want the Leader of the Opposition or anyone else to misunderstand. The action, as I understand it, that has been taken by CF(L)Co today is an internal action taken by that company with their customer, Hydro-Quebec, in order to renegotiate a very, very unfair and odious and oppressive contract.</p> <p>The Lower Churchill negotiations are completely separate negotiations. We intend to pursue those. Quebec are trying to block us every step of the way. Their strategic move to attempt to obtain the</p>

	<p>assets in New Brunswick was obviously a strategic attempt to try and block us from going through the Maritime Provinces. Their recent action, again, which is a terrible action, is the agreement on the water rights for the Churchill River. We attempted to have a fair agreement put in place, one that was a win-win for both parties. It was approved by lawyers, it was approved by officials in both companies, it went before the board of CF(L)Co and Quebec voted that down. As a result, now that is going before the Public Utilities Board.</p> <p>So there is no indication from Quebec, in any manner whatsoever, that they want to play fair, they want to be equitable. Instead, they want –</p> <p>...</p> <p>They want to do whatever they can to prevent us from developing our project. The Upper Churchill redress is a separate issue from the Lower Churchill and we are proceeding on both.</p>
Nov 30, 2009	<p>MS JONES: Thank you, Mr. Speaker.</p> <p>The Premier continues to lash out at Hydro-Quebec and the Government of New Brunswick for considering a deal that would see New Brunswick Power sold off to the Quebec utility. Now, Mr. Speaker, in his comments he has indicated that this could, in fact, restrict access for Newfoundland and Labrador's capacity to transport power from the Lower Churchill project through New Brunswick.</p> <p>I ask the Premier, that if he was so confident that a Lower Churchill agreement was imminent, why did you not make application under the proposal call that was issued by New Brunswick more than a year ago to access transmission capacity at that time?</p> <p>...</p> <p>PREMIER WILLIAMS: First of all, Mr. Speaker, I cannot understand why the Opposition is so cozy with Quebec. I cannot understand why they are so concerned about Quebec interests. I cannot understand why they want us to do business with Quebec, the way that Quebec shafted them. Maybe it is just a little bit of guilt to the fact that it was a Liberal government...that gave this away some forty or fifty years ago. Maybe it is just a little guilt and a little shame that back in 2003, when she was a member of the Cabinet, Premier Grimes and his government were going to have the second largest giveaway in the entire Province. Maybe that is what motivates her...</p> <p>The simple answer to her question is I am not prepared, on behalf of this government, to authorize spending \$10 million a year on nothing for seven years.</p>
Nov 30, 2009	<p>MS JONES: It really does not answer the question as to the reason why your government fell down on the job when there was access availability through New Brunswick and you did not take them up on that offer.</p>

	<p>Mr. Speaker, we know about the application that was in the system. The minister talked about it hundreds of times in the House of Assembly. We still never saw any results on it. We have not seen anything come back whatsoever, so it really does not answer the question as to why you did not make the application.</p> <p>Mr. Speaker, I ask the Premier to confirm that, regardless who the operator is in New Brunswick under that utility, we should still have free access. However, isn't the real problem that exists is that there is no capacity left on the lines either in Quebec or in New Brunswick that will allow you to transport Lower Churchill power?</p> <p>...</p> <p>PREMIER WILLIAMS: Thank you, Mr. Speaker.</p> <p>Before Joan Marie was writing her questions, now Shawn Graham is writing her questions for her.</p> <p>We just had the same discussion in Churchill Falls a week and a half ago, where Premier Graham indicated that there was no capacity. Well, there are a couple of things. First of all, we can build new capacity. That is one piece of the equation. We can build a corridor through and we will be writing Premier Graham in the very near future to request that access. We will be doing that in conjunction with the Premier of Nova Scotia and in partnership between Nalcor and Emera Energy. As well, if the interties at Orrington are upgraded, that will increase the capacity in New Brunswick. So there will be greater ability for us to go through New Brunswick. So, in fact, with the proper upgrades we can have additional capacity in New Brunswick. So that is the political answer in New Brunswick by a Liberal government that is doing another giveaway right there.</p>
Nov 30, 2009	<p>PREMIER WILLIAMS: Mr. Speaker, obviously the hon. members opposite have no idea of the magnitude and the scope of a project like this. Unfortunately, that is what happened to us back in 1969. I do not think there was a real understanding of the magnitude of that project.</p> <p>I was up there just a couple of weeks ago and saw it, and looked at it, and just saw what an engineering marvel Upper Churchill is. We own it, it is on our river, we built it, we maintain it, we pay the cost of maintaining it, and all that profit, and all that money, billions of dollars goes across those wires and goes into Quebec. Now, I get that, and 99.9 per cent of Newfoundlanders get it, but they do not get it.</p> <p>Now, this is a big deal; this is big stuff. We have to have the best lawyers money can buy, and the best engineers and the best consultants that money can buy. I can tell you if, for a million dollars, we could get financing or guarantees for \$2 billion, or \$3 billion, or \$4billion dollars for the Lower Churchill, well that would be money pretty well spent (inaudible).</p>

May 12, 2010	<p>MS JONES: Thank you, Mr. Speaker.</p> <p>Mr. Speaker, the first application for access to Quebec's transmission system, which would guarantee access for the Lower Churchill, was denied by Régie the energy regulator in Quebec.</p> <p>I ask the Premier today, because we are sure that government must have reviewed all the documents that passed down the result, and I ask: Will you table the English version of the ruling in the House of Assembly so that we may have the opportunity to read it ourselves?</p> <p>MR. SPEAKER: The hon. the Premier.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>PREMIER WILLIAMS: Mr. Speaker, to date, up to this point I have not received an English version yet, but I am certain that one was either available or will be made available. We relied, of course, on advice that we received in legal council who are doing the interpretation at this particular point in time, but absolutely no problem in providing that decision in English.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>MR. SPEAKER: The hon. the Leader of the Opposition.</p> <p>MS JONES: Thank you, Mr. Speaker.</p> <p>I would like to ask the Premier, if he can explain what the technicality was that led to this dismissal and is it possible that there was any mistake on our part? I just want to clarify that.</p> <p>MR. SPEAKER: The hon. the Premier.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>PREMIER WILLIAMS: The technicality, Mr. Speaker, is quite simple. It goes back to the arrogance and the discriminatory practices of Quebec, if I may speak in general terms. It has obviously been reflected now in a decision by its regulatory authority, which is the Régie.</p> <p>I have to say that the decision, although predictable due to the behaviour of Quebec over the years and their attitude and their constant direction in trying to stop us from completing the Lower Churchill and trying to inhibit us and prevent us, this decision took my breath away, on the basis that I was at least expecting that this jurisdiction might finally give us some fairness and some equity and some justice.</p> <p>I find it really difficult to understand how they could have done us such a grave injustice back in the 1960s, which carries on to this very day, which has cost us billions and will cost us billions and billions of dollars, has prevented us from being a have Province for decades, to turn around then and to be so small to try and prevent us now proceeding with the Lower Churchill project.</p>
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SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Thank you, Mr. Speaker.

I certainly appreciate the Premier's comments. I could have a few choice words myself, I guess, around the whole history with Quebec, but we are wondering what the technicality was that caused this to be thrown out or dismissed at this stage, and we ask the government if they could provide that information?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, the preliminary memorandum legal opinion, which was provided to me, has four pages of problems and errors in that particular decision. This decision did not turn on a technicality. There is a technicality, however, that is present in the decision which just shows how blatantly incorrect and unjust this decision is. That is a requirement where the Régie has found that we should basically, technically, complete the entire process of negotiation of an open access agreement with Hydro-Quebec in a period of forty-five days.

Now it took us four years to get to this particular point, but the Régie has found that the forty-five day period is a period in which that should be negotiated otherwise the clock starts all over again and our application gets dismissed and gets dropped, but that was not the technicality upon which this application was denied. This application was denied on every single, reasonable, legitimate ground that we put forward and this will have to stand the test of scrutiny by people right across Canada, including the people in Ontario and the Maritimes who want this power and the people in the United States.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Thank you, Mr. Speaker.

The government apparently in its statements this morning indicated that Quebec should be following the rules established by FERC.

I would ask the government today: Why are we wasting our time in dealing with Régie in Quebec when we feel that we are getting unfair treatment from that particular body and from Quebec and we feel that FERC is the best option? So why are you not pursuing that aggressively first?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, in all fairness to the Leader of the Opposition, this is an extremely complex process and procedure. In order for us to gain access in Quebec, or to go through Quebec in order to provide power either to Quebec or to Ontario, to the Maritimes, or ultimately to the United States, we have to get access in Quebec. So there is an access application that has to happen in Quebec.

Over the last several years, and perhaps in the past, we have been following proper procedures and rules and policies and regulations. We have done everything by the book on the very best advice that money can buy and that we have internally and domestically within Nalcor and within the Department of Natural Resources. This is the proper procedure. This is the only procedure that we could follow. In fact, in order to complete this procedure we would actually have to appeal again to the Régie, then we would have to go to the Superior Court in Quebec, and then we would ultimately go to the Supreme Court of Canada. So we have to follow this particular procedure.

However, FERC comes into the picture - if I may just have a moment by way of explanation. FERC comes into the picture because when Quebec sells power in the United States they have to play by the FERC rules in the United States. So, therefore, there should be some harmony, there should be some reciprocity. The rules should be similar on both sides of the border.

What Quebec is doing to us, in our own country, is not playing by the rules under any circumstances. It is not following the rules that they are forced to follow in the United States of America. So, they are doing one thing on one side of the border and shafting Newfoundland and Labrador on the other side of the border.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Thank you, Mr. Speaker.

I ask the government: What impact will this decision right now have on the timelines of the Lower Churchill? We know that this application has been before Régie since 2006 and we understand there is a second application that has been there since 2007.

So we ask the government today: What impact will this have on the timelines of the development of that project?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, due to the discriminatory practices that Quebec has exhibited over the years – not only in recent years, in past years – and what they have done to try and prevent us from developing the Lower Churchill and what they have done by not even

considering any redress under the Upper Churchill, a long time ago we looked at alternate routes and we felt that in order to have any leverage with Quebec in any future negotiations or any leverage on the Lower Churchill, we had to look at an alternate route. That route has been known as the Maritime route – possibly, I guess, it probably should be known more correctly as the Atlantic route – but it has been known as the Maritime route.

When we first tabled that route and we put it forward, there was criticism, for example, in *The Globe and Mail*, there were columnists in *The Globe and Mail* who obviously were following direction from Hydro-Quebec that indicated that this was not possible, that this was not feasible, that underwater cables had not happened anywhere else in the world when there was ample present, but despite that controversy and despite that opposition, we proceeded and we have developed a Maritime route. We are looking at that very, very seriously. That will proceed, that will proceed on time. It will not be inhibited in any manner whatsoever by what has happened during this Régie ruling.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Mr. Speaker, my next question for the Premier - and I do not know if I should duck before I ask it - but given the regulatory process and the unfavourable results, I guess, that we have received thus far through the process that we have taken: Is there any consideration being given to the political route and starting discussions with the Premier of Quebec?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, discussions were held just sort of on an informal basis a long time ago with the Premier of Quebec with regard to whether there was any opportunity, because what we are looking at doing is probably doing two routes: basically, the Maritime route which would take power down into the Maritimes to assist our Maritime neighbours and, of course, obviously to sell our product there; also, to go through Quebec and into Quebec and into Ontario and perhaps New Brunswick and on down to the States. That has been explored.

The behaviour that is being exhibited by Quebec does not lend itself to any kind of a negotiation whatsoever. Our door has always been open to any kind of a reasonable negotiation but only on terms that are good for Newfoundland and Labrador.

Quebec's attitude on this has been: Look, this is really our power, this is really our project, this is really our river and that is really our land. Just drop that power off to us on our border, give it to us very, very cheap and then we will sell that on your behalf. We will make exorbitant profits but we will not give you any of that.

The last agreement which was going to be reached by the Grimes government back in 2002 or 2003 was an agreement that did just that. Quebec would have basically marketed it, they would have

	<p>built it, they would have financed it, we would have sold power at – I cannot remember, it might have been 3 cents or 4 cents if I remember correctly, something absurd. We would have basically given it away and Quebec would have walked away with it again.</p>
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	<p>So, the actions and the behaviour that has been exhibited by Quebec do not lend itself to any type of reasonable negotiation.</p>
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May 31, 2010	<p>MS JONES: Thank you, Mr. Speaker.</p> <p>After the Régie decision out of Quebec was delivered related to transmission capacity for Lower Churchill power, the Premier stated that he did not want to go through Quebec anyway, and the Maritime route was always his preference.</p> <p>I ask the Premier: How far along are you in discussions on the Maritime route and what time frames are you looking at for its development?</p> <p>MR. SPEAKER: The hon. the Premier.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>PREMIER WILLIAMS: Mr. Speaker, my preference was always the Maritime route but that was because it was a personal preference. I think it was more to get away from Quebec than anything, but it also has to be a rational decision and an economic decision and based on good financial consideration. So as a result, all the way through what we have done is we have done parallel plans. We have looked at the Quebec route and moving all or most of the power into Ontario but we have also, on a parallel basis, simultaneously looked at the Maritime route, and the Atlantic route.</p> <p>As we all know, that is more expensive because it involves underwater transmission. It is well along. A lot of studies have been done. We have left that work primarily to Nalcor. Of course, they work with the minister's department, the Department of Natural Resources, but a lot of studies have been done. A lot of work has been done over the years basically on the underwater development as well. It goes right back to the Lower Churchill Development Corporation twenty or thirty years ago. Timelines are not finite on this. This is an evolving circumstance because everything is still tied into environmental approval, finalization of the Aboriginal piece, but from an economic perspective we are in a situation where we have enough information to really sit down and talk with any industrial developer at any point in time.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>MR. SPEAKER: The hon. the Leader of the Opposition.</p> <p>MS JONES: Thank you, Mr. Speaker.</p> <p>Any potential Maritime route would have to go through New Brunswick. The Premier of New Brunswick and his energy minister are both quoted in this weekend's telegram that they have not been approached by the Province to discuss any options related to the route.</p> <p>I ask the Premier: If the Maritime route was his preference, and he indicates that it still is, why haven't you started discussions with the Province of New Brunswick who would definitely be a potential partner, if not a customer in this project?</p> <p>MR. SPEAKER: The hon. the Premier.</p>
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SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, I did not hear exactly what the minister said nor have I read exactly what either the Premier or the minister have said but I can tell you quite clearly, we have been talking to New Brunswick for some considerable period of time. At what level, whether - the Premier and I have had discussions at just a general level. However, Nalcor Energy and New Brunswick Hydro were into fairly detailed discussions, quite frankly, prior to them pulling the plug and going to Quebec and looking at the Quebec alternative. When that happened and they were doing their deal with Quebec we obviously pulled back and just let that evolve. Of course, we know what the outcome of that was, that was finally dissolved and that was the end of that.

So, we are now, even as recently - if I remember correctly, it was last week, had a conference call with the Atlantic Premiers to discuss Atlantic co-operation with regard to a full Atlantic energy corridor. That would involve the premiers working together, their departments of energy and or natural resources working together, their deputy ministers, as well as the federal government being involved in putting up money for studies which has already been allocated.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Thank you, Mr. Speaker.

It is certainly not the impression that was left by the Premier of New Brunswick.

In the same article, however, the Premier of New Brunswick did state that it is estimated that the price per kilowatt hour of electricity could be in the range of sixteen cents. This certainly does not seem like cheap power. This is the first time, however, that we have seen a cost attached to the purchasing of Lower Churchill power.

I ask the Premier: If this costing by the New Brunswick Premier is accurate, and if not, what are the estimates currently being used by Nalcor to determine whether this route is feasible?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, the Government of New Brunswick has already indicated to us that it appears that - I do not know if I use the right term - the Premier was misquoted with regard to his article, or whatever release he did there last week. He had talked, I think, about the economic feasibility of the project. He talked about the technical feasibility of the project because of voltage leak.

However, let me assure this House and all hon. members and the people of Newfoundland and Labrador, that this certainly is a feasible project. It is certainly technically feasible, it is economically feasible. From a perspective of the cost, I can tell you that this particular project is

the lowest cost, the cheapest hydro-electric project in all of North America.

With regard to disclosing confidential information that would be very, very important in any negotiation, I would not be prepared to do that. As a matter of fact, I cannot even give you the exact number because I do not know it.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Thank you, Mr. Speaker.

It would seem that if the Premier of New Brunswick is putting out numbers on the cost of per kilowatt power of the Lower Churchill and those numbers are wrong, I would think that it is incumbent upon the Premier and Nalcor to make those corrections. So I think it is time to start talking what the cost will be to generate that electricity. Mr. Speaker, we know that the US market is highly competitive for energy purchases and one of our direct competitors will be Hydro-Quebec.

So I ask the Premier: How competitive will we be in the marketplace, and have you secured any long-term customers that are willing to sign on to this power agreement for the Lower Churchill?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, I just said it before and I will say it again. This is the lowest cost hydro-electric project in all of North America. That is equivalent to – could deal head on with La Romaine or any other projects that come on stream from Quebec.

So from our perspective - this one really slays me to be quite honest with you. Here we are with the best projects, with the cheapest project. We have a situation where we have the Province of Quebec, who have already skinned us alive on the Upper Churchill and are not prepared to just sort of, stand aside and work with us - and we will pay. We will pay for upgrades; we will pay for transmission costs. We could provide the Government of Quebec, the people of Quebec with probably \$200 million a year, basically, in rental fees, but yet they are prepared to try and block us every step of the way.

I can guarantee this House and the hon. members opposite and the people of Newfoundland and Labrador that we will not allow them to stand in our way. We will keep pushing forward. We will keep fighting the regulatory process and we will make sure that our project, which is the best in North America, will eventually come to fruition.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Thank you, Mr. Speaker.

We have one province out there saying it is going to be costly power, we have the Premier saying it is going to be the lowest cost power, but nobody is showing us the numbers. I think it is time to start showing the numbers. It is one thing to continuously say it is feasible, it is another thing to start proving that it is.

Mr. Speaker, Premier Graham also indicated that the project has significant obstacles such as technical issues, as the Premier just alluded to. The New Brunswick Minister of Energy has even stated that the Lower Churchill project could be at least ten to fifteen years out.

I ask the Premier today: How significant are these technical issues and what impact will they have on the feasibility of the Lower Churchill project?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, I have already stated, I have indicated that even the Government of New Brunswick, officials from the department in New Brunswick have contacted my office to indicate that perhaps the – and I cannot give you the exact terms because I was not privy to the conversation, but perhaps the Premier was quoted out of context. That is probably the fairest I can be to the Premier of New Brunswick in these particular circumstances.

We know the cost, we know the facts, we know the technical feasibility; we have done the studies. We have hired the best that money can buy. We have engaged and we have on our own staff the best that money can buy within government, within Nalcor Energy. We are doing this right. We are not doing it the way it was being done with the last government when it was all basically being given away in the Grimes government, of which the Leader of the Opposition was part of. We are prepared to give them the marketing and the construction, and ultimately turn the project over to them; then we would have lost it all. We would have given it all away again.

That is not going to happen. We know exactly what we are doing, and we are not going to give our competitive advantage away by disclosing numbers in this House that would be of benefit to the people who we are going to be selling the power to.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Thank you, Mr. Speaker.

This is the same government who knew what they were doing on Abitibi as well, Mr. Speaker. They also said that they had the best legal minds in the world, Mr. Speaker, when they did that

deal.

I ask the Premier: Is he saying today, and to confirm for me that there are no technical issues that will impact on the feasibility of the Maritime transmission route?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, we certainly did know what we were doing with Abitibi. There is absolutely no doubt about it whatsoever.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: We are now seeing today that the company that has been losing half a billion dollars a quarter is now going to go through a restructuring. It is going to be slimmer, it is going to be leaner, and it is going to be fitter. We know how it has done that. We know how it has done it. It has dumped off its environmental liabilities. It has sold off assets. It has closed down mills all over the country. So basically what it is has done is taken all of its financial obligations and dumped them on somebody else, but by doing by what we did, which the hon. member opposite agreed with and has stated so publicly, we have saved the Province from the embarrassment of having being left with all of that liability.

From our own perspective, as far as the Upper Churchill goes and the Lower Churchill goes, that is a great project. It is a good project. It is a project that we can be very proud of, but we will not give that away either, and we will continue to stay the course.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Thank you, Mr. Speaker.

I ask the Premier again if he will confirm to the people of the Province today that there are no technical issues that will impact upon the feasibility of the Maritime transmission option under the Lower Churchill project.

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: There absolutely will be technical issues that will impact upon the project. Anybody with a clue at all would know that there is going to be some technical issues when you do a \$6 billion to \$12 billion project.

I can tell the hon. member opposite that there will be no technical difficulties that will be a

	<p>complete obstacle that would ever prevent that project from happening. All she has to do is read the journals.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>PREMIER WILLIAMS: The problem is what the hon. member opposite is doing is reading the nonsense that is being put out by Hydro-Quebec, that is being put out through journalists that write articles in <i>The Globe and Mail</i> that say this technology is not available anywhere else in the world when there are all kinds of examples. Whether they happen to be in Europe, whether they happen to be in Tasmania, they are everywhere. So she should stop reading Quebec propaganda and believing in it, and believe in Newfoundland and Labrador.</p>
May 31, 2010	<p>MS JONES: Thank you, Mr. Speaker.</p> <p>What we do know is that government is still looking at the Maritime route as a preference; however, they will not tell us how much it is going to cost to generate power through that route, whether it is going to be feasible in terms of giving us numbers. They are not filing any environmental assessment to make it happen through that access. They are not talking to New Brunswick, Mr. Speaker, and last week in a technical briefing with the officials from Nalcor, we asked for the timelines for developing a Lower Churchill project. They said they would have to check with the Premier before that information could be released. In the article this weekend the Premier stated that he would have to check with Nalcor.</p> <p>I ask the Premier: Now that you have had an opportunity to check, or one of your talks back and forth, how many years are we talking here before we see the Lower Churchill developed in a manner that is feasible both from a cost and technical perspective?</p> <p>...</p> <p>PREMIER WILLIAMS: Obviously, it is something that the Leader of the Opposition is not used to. There is obviously a mutual respect between the Premier's office, the government, and the Department of Natural Resources, and Newfoundland and Labrador Hydro and or Nalcor. We check with each other. We do not, on the eighth floor, decide that for political reasons we are going to do a deal with Quebec, and we are going to give it all away to Quebec, and we are going to let them build it, and we are going to let them finance it, and we are going to let them sell it, and then finally when we do not have enough money to complete it, we are going to let them take it over. Then not only would a Liberal government have given them the Upper Churchill and taken all of that away and costing us billions and billions of dollars every year - we could have been a have Province probably twenty years ago if it had not been for the Liberal government, but no, what was going to happen with the next Liberal government, the Grimes government? They were going to give it all away again, because do you know what? They were not going to check with Newfoundland and Labrador Hydro. They were just going to go up and tell the officials at Newfoundland and Labrador Hydro, this is the way it is because we know what we are doing. Well, that is not the way this government operates. We work collectively with them. We work together</p>

	with them. We share information. We co-operate and when the time is right that project...
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<p>June 14, 2010</p>	<p>MS JONES: Thank you, Mr. Speaker.</p> <p>Mr. Speaker, following this government's logic on the Lower Churchill file is quite difficult. A couple of weeks ago, the Premier stated that he is going to pursue the Maritime route to transmit power and bypass Quebec. This weekend we learned that Nalcor is supporting a proposal from a private company to develop a 2,000 megawatt line from the Quebec-US border to New York City. If this company is successful, they plan to pre-sell access to this line.</p> <p>I ask the Premier today: Is this Province willing to pre-buy space on this line without the transmission infrastructure in place to get our power to the Quebec-US border?</p> <p>MR. SPEAKER: The hon. the Premier.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>PREMIER WILLIAMS: Mr. Speaker, this Province is not prepared to enter into commitments unless it has actually something to go on. I think this is just the opposite of the question that the hon. member asked last week as to why we had not entered into certain contracts. We had not entered into them because at that point we did not have any power to sell. Now, it is Monday and she is now coming from the other side asking if we are prepared to enter into contracts even though we do not have space allocated.</p> <p>This government is not going to put the people of Newfoundland and Labrador in a precarious position. What we are going to do is proceed and we are going to look at all our options. We have not ruled out any of the options. The article that appeared on Nalcor over the weekend is an accurate article. We could look at actually buying space at some point in time when there are approvals in place to take power from the Quebec border. We could still even look at the possibility of building our own transmission line through Quebec. That is something which could have to be done. As well, of course, our preferred option is the Maritime route and we have stated that previously.</p> <p>SOME HON. MEMBERS: Hear, hear!</p> <p>MR. SPEAKER: The hon. the Leader of the Opposition.</p> <p>MS JONES: Thank you, Mr. Speaker.</p> <p>The whole purpose of the question is because during the weekend, Mr. Ed Martin of Nalcor was quoted as saying that: "If it was a relationship where we were one of the players on the line and we had guaranteed access for a particular price, that would suit us fine." A few months ago in the House of Assembly the Minister of Natural Resources, Mr. Speaker, indicated that they were not prepared to make any commitment because they did not know which route that they would take and which way they would wheel their capacity. So, Mr. Speaker, the purpose of the question today was to look for clarification.</p> <p>Mr. Speaker, Hydro-Quebec has just signed a twenty-six year contract with the state of Vermont to</p>
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supply power. The Premier referenced last week the MOU that he signed with Rhode Island in 2007 and his attempt to find a customer for Lower Churchill power. We now know that the MOU is dead, as Rhode Island has backed away from signing any agreements with the Province.

I ask the Premier: While everyone else is signing long-term agreements, what meaningful actions is this Province taking to secure potential customers?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, when we took over the Government of Newfoundland and Labrador, we found ourselves in a position where the previous government had not marketed our power properly in the rest of Canada and even the United States. When we first went to the governors meetings in the United States, it was Quebec power – the power that was coming out of the Upper Churchill was considered to be Quebec's power. They were marketing it, they were selling it, they had generated it, and they had produced it. Newfoundland and Labrador did not even exist in the power markets in the Northeastern United States.

So, what we have done over the course of the last five years is nurture the relationship with the New England governors as well as with other provinces, Ontario and the Maritime provinces, to show that we will be a significant exporter. This government does not have a short-term vision of where it is going; it has a long-term vision. Our Energy Plan goes out to 2041 to the point when we repatriate the Upper Churchill power and we are working back from that.

So, we have a long-term perspective, we are building relationships, we are promoting the Province. As I said last week, I have spoken in New York, I have spoken in Calgary, I have spoken in Toronto, I have spoken in Ottawa. I will continue to promote this Province to the best of my ability anywhere in the world.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Thank you, Mr. Speaker.

What we have is a minister who claims that we should not be buying capacity on a line. We have a corporation, Mr. Speaker, who is looking to invest with the private sector to buy capacity on a line that we have no route to get to at this stage, and, Mr. Speaker, in addition to that we have no secure customers while others are signing deals to provide power.

I ask the Premier this question. He stated that his preference was the Maritime option when questioned a couple of weeks ago. While that may be his preference, the work that remains to be done shows that this route is at least a decade or more away. One of the major challenges when using underwater cables to transmit electricity is that a significant quantity of power is lost. So using the Maritime route, there will be two instances that will require underwater transmission,

across the Strait of Belle Isle and the Gulf of St. Lawrence.

I ask the Premier: How much power will be lost using underwater transmission and what impact will that have on the feasibility of the project?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, I can undertake to provide that information. I am not an engineer. I would not be able to give you an accurate number as to what the power loss is but I can tell you, obviously the Leader of Opposition is listening to her counterpart, the Liberal Premier of New Brunswick and/or his energy minister who has indicated that technical problems are the reasons why we would not do the underwater route. Well, since they made that statement, or since that statement was taken out of context, as they have indicated to us, they have since changed that and they have indicated that there are not significant technical problems with regard to underwater transmission. As a matter of fact, it is happening all over the world. There are lots of jurisdictions. We could cite all kinds of examples. I will provide the examples to the Leader of the Opposition, or any members of the Opposition, with respect to where this is taking place. There is some loss, some power loss but it is insignificant in the big scheme of things. This is the best, clean, green renewable energy project in North America and it will happen eventually.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Thank you, Mr. Speaker.

We know that the government has not completed the necessary work to move forward with the Maritime route. There are no environmental impact studies that have been filed to cross the Gulf of St. Lawrence and we know that process will take years.

I tell the Premier what I did talk to the Government of New Brunswick about, however, was the capacity on their lines to accept Lower Churchill power. They have confirmed, Mr. Speaker, that there is no capacity. They say that Newfoundland and Labrador, if approved, would be responsible for constructing new transmission lines across that province and paying a tariff to the people of New Brunswick.

I ask the Premier today: What will be the extra cost of constructing these transmission lines and what impact will that have on the feasibility of the Lower Churchill project?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Well, now we understand completely why the Leader of the Opposition

is so completely misinformed. She just indicated who she is relying on for information. She is relying on the Government of New Brunswick, who just recently backed away from a deal with Quebec whereby they would have given away their future. So that is where she is getting her information. So let's start from that premise.

The Leader of the Opposition in New Brunswick was in last week to talk to me about the potential power projects, to talk about the use of New Brunswick as an energy hub for Atlantic Canada, for the Maritimes, for the Northeastern United States. It is interesting how a Conservative thinks as opposed to a Liberal, who decides they will just give it all away.

Having said that, we have also spoken to the Premier of New Brunswick, to the other premiers of the Atlantic Provinces who are looking at Atlantic co-operation to build a Maritime route, to build an energy hub throughout Atlantic Canada whereby the Province of New Brunswick would work with us. Now, we have already said whether it is in Quebec or whether it is in New Brunswick, whether it is in Nova Scotia, we have to upgrade. We will pay for upgrade. If we have to pay for rental, we will pay for rental. If we have to pay for new transmission -

MR. SPEAKER: Order, please!

I ask the hon. Premier to conclude his answer.

PREMIER WILLIAMS: - we will pay for new transmission. There is a co-operative attitude. Your divide and conquer attitude, whether it happens to be Quebec or New Brunswick, simply does not work.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MS JONES: Thank you, Mr. Speaker.

I would like to inform the Premier that you have to talk to someone in order to smoke the answers out of the government opposite because every day it is a different message. One week we are going the Maritime route, the next week we are going through Quebec. One week we are trying to buy capacity on a line to the United States, the next week we have no way to transport power. So, Mr. Speaker, there are more questions than there are ever answers, I would say to the Premier, and it is all right to talk to some people to find out what the real lay of the land is.

Mr. Speaker, once power is transmitted through Labrador and across The Strait of Belle Isle, down the Northern Peninsula, through the Long Range Mountains, across Western Newfoundland, across the Gulf of St. Lawrence, through Nova Scotia, through New Brunswick, we then have to go through the State of Maine.

I ask the Premier today: What discussions have you or Nalcor had with the State of Maine regarding transmission capacity? Will we have to build new transmission lines there as well?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WILLIAMS: Mr. Speaker, the hon. member opposite talks about taking power and taking it across Labrador and across the Gulf and down through Newfoundland, across the Gulf and through the Maritimes and down into the State of Maine. As if: Look, you know, this is just too much trouble. We really should not bother with this. What we should do is - she should go back to her previous position. We should just give this all away to Quebec. Which is exactly what her government and her Premier and previous governments have been prepared to do is give it to Quebec.

An article appeared in the *Montreal Gazette* just this weekend. Do you know what it is entitled? Let it go, Newfoundland. Let it go. That is what we should do. We should listen to the hon. member opposite and we should listen to the members of the Opposition. We should just let it go. We should give it all way.

In that particular article they also say, "Williams isn't wrong on the facts." So everything that we laid out in Ottawa last week, every single fact is correct. They acknowledge that, but instead Quebec has this patronizingly colonial attitude: Let it go, Newfoundland and Labrador, give it all to us and we will take care of it. Well, over my dead body that is going to happen, I can tell you right now.