



Stan Marshall a 'boondoggled buffoon' who's no good for Muskrat Falls: Danny Williams



Controversy over Lower Churchill project sinks to name-calling as former premier defends his role

Terry Roberts · CBC News ·

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Former Newfoundland and Labrador Premier Danny Williams weighed in Wednesday on the latest controversy swirling around the Lower Churchill Project. (Cal Tobin/CBC)

The controversy over the spiraling cost of the Muskrat Falls project continued Wednesday with former Newfoundland and Labrador Premier

Danny Williams vigorously defending what he called a "world-class project" and again attacking Nalcor CEO Stan Marshall.

"You've got the boondoggled buffoon, I couldn't call it any different, who happens to be the chair of Nalcor, who is out trashing this project. I don't know how he keeps his job," a feisty Williams told reporters Wednesday.

- [Ed Martin fires back at Nalcor CEO, Premier Dwight Ball](#)

Williams also expressed support for former Nalcor CEO Ed Martin, and said any public inquiry into what some are now calling a scandal would only restore the reputations of those involved with the project, including his own.

"I believe firmly there should be a forensic audit because I think it's just going to clear the smear that's been put [on] CEOs, former governments, the hard-working people who've worked up in this project," he said.

"You need to clear the air. And you need to clear the air of a very good individual. Lots of integrity. And that's Ed Martin."

SNC-Lavalin report

Marshall responded by releasing a statement Wednesday afternoon, revealing more details about a 2013 report prepared by SNC-Lavalin, the company contracted to do engineering, procurement and construction management for Muskrat Falls.

The report foreshadowed major cost and schedule overruns for the project, but did not surface until it was released by Premier Dwight Ball last week.





Nalcor CEO Stan Marshall speaks to reporters Friday. (Sherry Vivian/CBC)

Ball suggested the report was ignored by Nalcor at the time, and could have been used as justification to halt the project in the very early going.

Ed Martin has said he never saw the report, and when he did read it last week, emphasized that his leadership team had already identified the risks and had taken measures to mitigate them.

But Marshall cast doubt on Martin's version of events.

"I was told by the SNC executives that senior SNC representative(s) had met with my predecessor [Martin] in 2013 to present the report but the report had not been accepted," Marshall's statement reads.

"I have no personal knowledge of the circumstances under which the report was prepared nor what, if anything, transpired between SNC and Nalcor representatives in relation to the report prior to my receiving a copy."

Marshall said he became aware of the report a year ago.

The former Newfoundland and Labrador premier who inked a deal for the Muskrat Falls hydroelectric project came out swinging Wednesday against the man who is running Nalcor Energy, the corporation behind the multi-billion dollar mega project. 2:58

"I subsequently asked Nalcor Energy executives about the report but no one was aware of it nor was there a copy in the company's records. A couple of days later in a meeting with SNC executives I inquired about the report and they subsequently provided me a copy."

So the debate has now sunk to name-calling and serious questions about who is telling the truth.

Williams left little doubt about who he believes.

"I can tell you right now from what I know of Ed Martin, under no circumstances would Ed Martin bury that document," Williams said.

Fearing a takeover by Hydro-Quebec

Williams served as premier for seven years, and inking a deal to develop Muskrat Falls was one of his final decisions while in office.

Despite increased costs and delays, Williams has continued to strongly support the project.

He weighed in on the latest chapter in the long-running controversy during an event at his massive Galway property development, on the western outskirts of St. John's.

“You've got the boondoggled buffoon ... who happens to be the chair of Nalcor, who is out trashing this project. I don't know how he keeps his job.”

- *Danny Williams*

Williams said he doesn't like the negativity in the province right now, and bashed Stan Marshall for referring to Muskrat Falls as a boondoggle.

He fears the true value of the hydroelectric project will be eroded by endless criticism from the very highest levels, and that an entity such as Hydro-Quebec might swoop in and offer to buy Muskrat Falls.

"That would be an absolute shame," he said.

- [Labrador's Muskrat Falls price tag now \\$12.7B: Worse than 1969 Quebec deal, CEO says](#)
- [It's official: Muskrat Falls a boondoggle, says Stan Marshall](#)

During an update on the publicly-financed project last week, Marshall revealed that the overall cost has reached \$12.7 billion, including financing — roughly \$5 billion more than was estimated when the project was sanctioned in 2012.

Marshall also said annual operating costs once it's completed in 2020 will be \$75 million higher than expected.

- [Did Ed Martin see report detailing Muskrat Falls risks? Premier says yes, he says no](#)

Marshall, who replaced Martin as CEO 14 months ago, used the word "boondoggle" to describe Muskrat Falls and again said it should never have been built.

Ratepayers in the province are now bracing for a doubling of their power bills in a few years, although the Dwight Ball government has said it will take steps to mitigate the increase.

Williams denies any lowballing ever took place

Marshall said the original estimates for the project were either knowingly or unknowingly understated, and said the responsibility should rest with those in charge at the time, a clear reference to Martin and the Progressive Conservative government of the day.



Nalcor CEO Ed Martin says he never saw a 2013 report that foreshadowed cost and schedule overruns on the Lower Churchill Project. (CBC)

Williams denied that anyone ever lowballed numbers in order to win public support for the project.

"They weren't certainly in my time. And they certainly wouldn't have been on Ed Martin's watch. So if that's what it takes, if it takes an inquiry, do it. Absolutely," Williams said.

At one point, Williams suggested Muskrat Falls could be built for just over \$5 billion, and said he would invest his own money if he could.

Overruns a 'fact of life'

So how did things go so wrong?

Williams said cost overruns on major projects "are a fact of life" and record-high construction costs are a big factor.

He said similar overruns were experienced on other major projects, including Hebron and Vale's nickel processing plant in Long Harbour.

"You can't make excuses for overruns, but by the same token they're a fact of life and they happen," he said, quickly adding that Muskrat Falls remains a good project.

