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# Minister tackles Muskrat Falls critics

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"I don't want to spend my nights wondering if I'm going to be the new Joey Smallwood." That was how Natural Resources Minister Jerome Kennedy summed up his approach to developing the Muskrat Falls hydroelectricity project when he made an address to the Greater Corner Brook Board of Trade Friday.



Kennedy used the speaking engagement as another opportunity to discredit the project's critics, who disagree that the Muskrat Falls project is the lowest-cost option to generate the power the province will need in the future.

The minister said neither he, Premier Kathy Dunderdale, nor anyone in government wants to proceed with a project that will prove detrimental to the province's future, like the now-infamous Upper Churchill deal former premier Smallwood signed with Quebec.

He took aim at critics who have said the province's population decline and the closure of newsprint mills in Stephenville and Grand Falls- Windsor have contributed to a reduced need for energy.

He said the most recent census by Statistics Canada indicated the province has experienced its first population growth in decades and people are building larger homes that favour electricity as their main source of heat.

He took a shot at David Vardy, a former deputy minister and former chairman of the province's Public Utilities Board, for raising the spectre of the possible closure of Corner Brook Pulp and Paper as another reason why Muskrat Falls should not go ahead as the government hopes it will.

Kennedy, who met with paper mill union leaders earlier in the day and said he has also conversed with mill owner Joseph Kruger about the operation's future, said there is no evidence the Corner Brook mill is going to close any time soon.

In fact, Kennedy said he felt reassured after his conversations with Kruger and the unions that there will be a long-term sustainability plan put in place for the mill.

"It's almost as if some of these critics want Corner Brook Pulp and Paper to close down so they can say, 'I told you Muskrat Falls is not needed,'" Kennedy told the roughly 60 people at the board of trade luncheon. "Is that cynical on my part? Where else is this coming from?"

If the mill did close, the 124 megawatts of power generated by Kruger-owned Deer Lake Power could possibly revert to the provincial power grid.

"Our goal, as a government, is not to use the 124 megawatts of power that comes from Deer Lake for any other purpose than to run the mill in Corner Brook and anyone who suggests otherwise, I think,

should look at their own motivations,” Kennedy said to a round of applause.

The minister said Muskrat Falls may cost a lot of money up front and there will likely be cost overruns, but the naysayers have to keep in mind what a long-term benefit the asset will be for future generations.

“It’s a revenue-generating project that will produce revenue for many years and eventually pay for itself,” said Kennedy. “We are taking on a debt to build an asset that will produce revenue. It will pay for itself while stabilizing and then reducing rates.”