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## ENERGY/CONTROVERSY

# Former PUB chairman takes exception to minister's comments

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TRANSCONTINENTAL MEDIA—CORNER BROOK

A critic of the process involved in deciding the fate of the Muskrat Falls project says he was surprised to have been singled out by Natural Resources Minister Jerome Kennedy when the minister spoke at a public function in Corner Brook last week.

During his address to the Greater Corner Brook Board of Trade last Friday, Kennedy laid out the provincial government's case

against the various arguments against the controversial hydro-electricity project in Labrador.

David Vardy, a retired civil servant and former chairman of the Board of Commissioners of Public Utilities (PUB), is among those who have publicly expressed personal concerns the current PUB is not being given adequate time to fully review the development.

During Kennedy's speech, the minister specifically referenced Vardy in the context of the impact the closure of Corner Brook Pulp

and Paper would have on the need for electrical power in Newfoundland and Labrador since the mill generates 124 megawatts of electricity at its Deer Lake Power plant.

Kennedy was questioning why a review of the project by Manitoba Hydro had included the scenario of the paper mill closing since indications are, according to Kennedy, the mill should be operating for a long time to come. The minister said the first reference he could find to the mill closing was in a paper written by Vardy in August 2011.

"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 went on to say.

Vardy, who was the province's chief negotiator when Kruger bought the Corner Brook mill from Bowater in 1984, took exception to the implication he wanted to see the Corner Brook mill fail.

"I take some pride in the fact the Corner Brook mill is the last one standing," Vardy said.

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## BUSINESS

*Response says minister's comments weren't personal*

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"I would be the last person to be speculating about the future of the Corner Brook mill in a negative fashion," Vardy said.

He said he has written Kennedy, requesting clarification of what the minister said and an apology, if necessary, but had not heard any reply when he spoke with The Western Star Monday afternoon.

"I don't want this to detract from the discussion," he said. "I think Muskrat Falls is too important to be sidetracked on personalities. It's somewhat unfortunate the minister feels his case is so weak that he has to bring personalities into it."

Vardy did write an article, titled "Making Best Use of the Lower Churchill" for the Leslie Harris Centre of Regional Policy and Development at Memorial University last August. The only references to Corner Brook Pulp and Paper were of a paper machine that had closed in recent years and that Nalcor — the province's energy arm — has assumed the mill "will continue with their present level of energy use."

In an emailed response regarding Vardy's concerns, Kennedy's office said the comment attributed to the minister regarding "some of the critics" was not directed at Vardy. Still, the minister said it was accurate to have reported he suggested Vardy had raised "the spec-



**Natural Resources Minister Jerome Kennedy was in Corner Brook last week talking about the Muskrat Falls project. Some of his comments got one resident looking for an apology.** — Telegram file photo

tre of the possible closure" of the mill.

The email referred to the portion of Vardy's article regarding Nalcor assuming the mill will continue with its present level of energy use.

"Mr. Vardy disagrees with Nalcor's conclusion that power is needed and therefore obviously disagrees with Nalcor's assumption on the Corner Brook mill," read the email.

Vardy called Kennedy's response "patently absurd" and an attempt to deflect attention away from the "erroneous allegations" Kennedy made against him. He said the real

issue is whether or not the province is going to permit the PUB the extra three months it feels it needs to properly assess the Muskrat Falls project.

As of now, government wants the board's review by the end of March.

"The whole idea that people who speak up are going to be attacked personally and demonized is disappointing to me in terms of where we have evolved as a society in Newfoundland and Labrador," said Vardy.

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