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Nova Scotia is doing due diligence

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On Oct. 5 the Nova Scotia Utility and Review Board was given the authority, in the words of the energy minister of Nova Scotia, “to fully and transparently review the Maritime Link project to ensure that it is the best option to bring clean energy, good jobs and lower, more stable electricity rates over the next 35 years.”

The minister goes on to say that the board “has the authority to do a full review, including comparing the project to alternative options.” The applicant is required to provide the board with “an analysis of lowest long-term cost alternatives to the Maritime Link project.”

The board has final decision-making authority on the project. It may add terms and conditions to its approval. It can determine a range of approved costs for the project, with any increase in costs being subject to board approval.

In addition, the board has a continuing monitoring responsibility and Emera must file a further report detailing engineering and design and updating cost estimates or material changes to the project.

This is not what has happened here

Muskrat Falls is not subject to the jurisdiction of our Public Utilities Board. The government referred a very narrow question to our board on whether Muskrat Falls was the lower-cost alternative as compared with the isolated island option. It was not permitted to look at any other alternatives such as conservation, or the use of natural gas.

It was also not given adequate time to answer the reference question, so the “technical conference” could not take place which would have permitted the project assumptions to be adequately examined. The board did not have the latest cost estimates or an updated load forecast.

The board concluded “that the information provided by Nalcor is not detailed, complete or current enough to determine whether the interconnected option represents the least-cost option for the supply of power to island interconnected customers over the period of 20112067, as compared to the isolated island option.”

What is going to happen in Nova Scotia is what needs to happen here.

We are pleased that the government has commissioned Manitoba Hydro to examine the latest cost estimates and that it also commissioned a report on natural gas, but those reports need to be critically examined by our PUB and subject to the most rigorous and transparent process possible before the project is sanctioned.

Furthermore, it is clear that Emera’s decision to proceed will await the decision of the Nova Scotia Utilities and Review Board, which must be rendered within 180 days from the application date. So there is ample time for this province to follow a similar course of action before sanctioning Muskrat Falls.

The exemption from PUB oversight must be lifted immediately. How can we possibly justify having different regulatory oversight than our partners will have?