

Date : 9/7/2011 9:37:20 PM

From : "Marshall Q.C., Hon. Thomas"

To : "'Seth Marshall'"

Subject : FW: VOCM Openline_Kevin Aylward_Muskrat Falls_Summary_09072011.doc

They didn't get the whole thing—2.5 hours would be too expensive. Its obvious Alyard has no understanding of the deal. Thanks for sending the CBC panel clip. You're right about Tom. Its obvious that neither of the three panelists read the actual report. I did. The panel's concerns were with what they called an inadequate analysis of the alternatives to MF.

From: Joyce, Luke

Sent: Wednesday, September 07, 2011 4:32 PM

To: Marshall Q.C., Hon. Thomas

Subject: VOCM Openline_Kevin Aylward_Muskrat Falls_Summary_09072011.doc

FYI

VOCM Openline - Kevin Aylward in Studio SUMMARY

1. IN STUDIO GUEST: Host preamble. Randy introduces his in studio guest, "Kevin Aylward", Liberal Leader and says they will be talking exclusively about Muskrat Falls. Kevin discusses how this project has some major issues on energy that have to be dealt with because higher rates is a pocket book concern to the people of this province. He comments this deal is political folly and the cabinet doesn't know where to turn at this point. TIME: 09:02 AM DURATION: 10:00 REPORTER: RANDY SIMMS

4. ECONOMIC IMPACT: "Wylene" is calling to question the economic impact of the sale of Lower Churchill electricity and if it will be positive for this province. **Kevin answers that since we don't have a purchase deal and we will be selling it at a loss to Nova Scotia. He says if it's the right deal then the liberals would be in on it.** TIME: 09:17 AM DURATION: 07:00 REPORTER: RANDY SIMMS

5. ELECTRICITY RATES: "Gerry" is calling to talk about increasing electricity rates which are driven by the rate stabilization at PUB. He says we will be paying at least 36 cents per kilowatt hour for the next 50 years because of Muskrat Falls which means we have to subsidize Nova Scotia power. **Kevin comments on the need to look at lower cost options as the joint panel recommended.** TIME: 09:24 AM DURATION: 02:00 REPORTER: RANDY SIMMS

6. LONG TERM PROJECT: Randy comments on the argument by Nalcor that once we have this project we will not have to be subjected to the long term vagueness of the world price of oil and **Kevin discusses how they are skewing the numbers regarding Holyrood to make the deal look better but reality is this will be the most expensive power in North America.** TIME: 09:28 AM DURATION: 02:00 REPORTER: RANDY SIMMS

7. RESOURCES: "Agnes" is calling to comment on our resources that have been given away. She asks what is going to be done about the fishing industry because it is the most important resource and Kevin discusses the major policy they are preparing to deal with this issue. TIME: 09:30 AM DURATION: 03:00 REPORTER: RANDY SIMMS

8. VOTING FOR PROJECT: "Jim Learning", Chair of the Friends of Grand River is calling to ask if voting for the Tories in the upcoming election will be a vote for Muskrat Falls project and Kevin agrees since this is their deal which they plan to go ahead then it would be. **Jim also asks if he thinks all Aboriginal groups should be included in the agreement and Kevin answers liberals would and they should be.** TIME: 09:36 AM DURATION: 05:00 REPORTER: RANDY SIMMS

9. PANEL REVIEW: Randy comments the minister referred to the joint panel review as not a serious topic and **Kevin says it's like they are rushing to get the deal done because of the time line to the election.** TIME: 09:41 AM DURATION: 04:00 REPORTER: RANDY SIMMS

10. EXISTING POWER: "Morris" is calling to ask if we really need this project because we already have in our existing system just over 2000 megawatts of power according to Nalcor but we have power existing that we aren't using. **Kevin says Morris has his homework done and it's like we are taking a risk for power that we don't even need now.** TIME: 09:44 AM DURATION: 04:00 REPORTER: RANDY SIMMS

11. PROVINCIALIZING OIL: "Tony" is calling to talk about the possibility of nationalizing oil and asks if with a majority government they be

able willing to do this in the best interest of the province. Kevin answers if they can get the royalty regimes but the issue is investing the revenues for our future and when it comes to Muskrat Falls we have to be smart about it. He says **Nalcor is making big profits and here we are transferring hundreds of millions of dollar to them.** TIME: 09:51 AM DURATION: 08:00 REPORTER: RANDY SIMMS

12. RECOUPING INVESTMENT: Randy reads an e-mail from a business owner asking **how long it will take for Emera to recoup the investment** and **Kevin answers they have been trying to get the information but they expect it is within 10 years.** TIME: 10:08 AM DURATION: 01:00 REPORTER: RANDY SIMMS

13. CURRENT GOVERNMENT: "Ben" is calling to talk about the current government. He comments **ministers keep blowing off their mouths about what they have invested in rural Newfoundland but there has been nothing happening, they didn't even take time to think about the jobs lost in Marystown. He says it's strange there is nothing said by Danny Williams about the Muskrat Falls deal so in his opinion it should be halted. Kevin discusses the impact of electricity rates going up because all fish plants will have extra expenses incurred.** TIME: 10:09 AM DURATION: 04:00 REPORTER: RANDY SIMMS

14. RECOMMENDATIONS/LABRADOR FUND: "Roberta" is calling to ask **if the liberals were elected would they fully support the recommendations of the joint panel regarding this project** and **Kevin answers they would do an independent review.** Roberta also asks about a specific Labrador fund set up from this project and **Kevin says after living in Labrador you come to appreciate the extraction of resources in the area so they need to make significant investment into basic infrastructure there.** TIME: 10:13 AM DURATION: 04:00 REPORTER: RANDY SIMMS

15. RELATIONSHIP WITH HYDRO QUEBEC: "Michael" is calling to talk about **global warming and climate change** which is causing ice to come down so he **wonders if it will damage the cable that they are planning to bring down through.** He says if we have a partnership with Quebec then we could have a fixed link for the Straits and **Kevin comments there have been 3 attempts at putting this deal together including Hydro Quebec but we should be able to negotiate with them and we should be making more demands on the Upper Churchill contract.** TIME: 10:21 AM DURATION: 04:00 REPORTER: RANDY SIMMS

16. FUTURE DEVELOPMENT: "Randy" in Happy Valley-Goose Bay is calling to ask about the **future development of Gull Island if Muskrat Falls is already developed and if the body of water can sustain 3 hydro projects.** **Kevin answers we don't know so it needs to be developed properly and cover off the environmental issues upfront.** TIME: 10:25 AM DURATION: 03:00 REPORTER: RANDY SIMMS

18. EXECUTIVE SUMMARY: "Jack" is calling to talk the **executive summary on the join panel report.** He reads a portion of the summer regarding other alternative options and lists those on the panel. He **asks why the liberal leader places so much emphasis on the economic review** and **Kevin answers these people are put on the panel to protect the public. He says this is a serious piece of business and probably precedent setting but this was a total rush job all the way.** TIME: 10:28 AM DURATION: 07:00 REPORTER: RANDY SIMMS

19. INVESTMENT/DECOMMISSIONING: "Brad Cabana" is calling to talk about **government investment into Nalcor.** He asks about the **decommissioning date of the Upper Churchill because Nalcor said there is no date** so he is wondering about it and **Kevin answers we have to get way more aggressive about the Upper Churchill since right now the Dunderdale government is saying Quebec might be an option of Gull Island development.** TIME: 10:38 AM DURATION: 03:00 REPORTER: RANDY SIMMS

21. FORTIS NOT INVOLVED: "Colin" is calling to asks **why Fortis isn't involved in the Muskrat Falls deal.** **Kevin answers that as far as he knows they have not been asked and Randy comments they were asked but said they weren't comfortable investing unless they had a majority share.** Colin says government should have been able to work out a deal with them. TIME: 10:42 AM DURATION: 05:00 REPORTER: RANDY SIMMS

22. PAYING TWICE FOR DEVELOPMENT: "Annie" is calling to **ask if the liberal government forms the next government will be people still have to pay twice for power and taxes because of the development of Muskrat Falls.** **Kevin answers they will not sign a deal that would ever see that happen.** TIME: 10:50 AM DURATION: 04:00 REPORTER: RANDY SIMMS

23. RESIDENTIAL RATES: "Lloyd" is calling to talk about **residential rate increases and the impact on businesses, schools and hospitals.** He wonders who is going to pick up these expenses because the **government seems to have no vision** and **Kevin answers this is why they wanted an external review done so this issue needs to be discussed.** TIME: 10:54 AM DURATION: 04:00 REPORTER: RANDY SIMMS

24. PROVINCIAL AGENDA/ENVIRONMENT: "Derek" is calling to talk about the **agenda of this province.** He says it has largely been oil and hydro but there is very little attention being paid to climate change and the environment so **shouldn't we be exploring environmental friendly alternatives.** **Kevin comments on wind power projects that are going on right now and there are other ways to create energy so it is green.** TIME: 11:06 AM DURATION: 05:00 REPORTER: RANDY SIMMS

26. PROSPERITY AND DEVELOPMENT: "Chris Montague", President of NunatKavut is calling to talk about **prosperity and development.** He says they aren't against the project but when it comes to the panel review they feel there should be better alternatives and asks how seriously the liberals would look at green energy projects. **Kevin answers they would be seeking and evaluating all green projects in the province but there is a gigantic wind resource in Labrador.** TIME: 11:11 AM DURATION: 04:00 REPORTER: RANDY SIMMS

27. ELECTRICAL RATES: “Steve” is calling to talk about electrical rates and asks about increases which are going to be more than 14 cents a kilowatt hour. **Kevin answers it will be more than 14 cents because we will be subsidizing power in Nova Scotia so it's no wonder they want to do this deal with us.** TIME: 11:19 AM DURATION: 03:00 REPORTER: RANDY SIMMS

28. HOLYROOD: “John” is calling to ask if we will still be burning oil in Holyrood after this project is developed. **Kevin said we would still have Holyrood for a back up in the future but it needs to be cleaned up.** TIME: 11:22 AM DURATION: 03:00 REPORTER: RANDY SIMMS

29. ENERGY STOREHOUSE: “Mark” is calling as a supporter of Muskrat Falls because it is a building block for us becoming an energy storehouse. He says we need to have that power to attract business to this province and **Kevin comments on the lack of escalator clause in this deal.** TIME: 11:25 AM DURATION: 03:00 REPORTER: RANDY SIMMS

30. FINAL THOUGHTS: “Kevin Aylward” wraps up the show with his final thoughts on this deal and urges listeners to look at the facts because it has to make sense to the public. He says the Dunderdale government has lost its way completely because they aren't accountable and not listening to anybody anymore but the liberals are not for a deal that is going to increase the electricity rates for seniors in this province. TIME: 11:28 AM DURATION: 02:00 REPORTER: RANDY SIMMS