

[Previous Story](#)[Next Story](#)

Article rank 17 Nov 2012 The Telegram (St. John's) BY DIANE CROCKER TC MEDIA—CORNER BROOK  
The Western Star

# Federal loan guarantee for Muskrat Falls is 'very close,' Marshall says

Finance Minister Tom Marshall hoped he'd have something to say on the federal loan guarantee for the Muskrat Falls project when he spoke in Corner Brook Friday.

"So it wouldn't be the same old story," said the minister following his speech to the Greater Corner Brook Board of Trade at the Pepsi Centre.

However, all he could say was that the deal is "very close."

So like Nalcor's Ed Martin and Natural Resources Minister Jerome Kennedy before him, the MHA for Humber East talked about the need for the project and the economic benefits of it for residents and businesses.

When asked why the government is putting such an emphasis on pushing the same message, Marshall replied, "What we wanted to do was make sure the information got out."

In the past, he said, the government has been accused of not giving out enough information.

"So now we're getting the information out there and, ironically, people are saying you're giving us too much information."

During his speech, Marshall told the gathered business and municipal leaders that he has said from the beginning he would support whatever project gives reliable energy at the cheapest possible price.

He's reviewed the materials on the project with Nalcor experts, talked to bond rating companies and bankers, and questioned his fellow ministers.

"With all that, I'm confident in putting my support behind this project as being critical to ensuring that generations of Newfoundlanders and Labradorians have affordable and reliable power and a green source of power," said Marshall. "This is a good project." Marshall said electricity rates in the province are rising and it is because of burning oil. He said the province needs to shut the oil-reliant Holyrood generating station and build more hydroelectric projects, such as Muskrat Falls.

"If we have a hydro project we own it," said Marshall. "The people of Newfoundland own it, not the American oil companies, not some dictator out in the Middle East. We'll own it and we know how to run hydro companies."

He said it will be a source of electricity not tied to the price of oil and one that is clean and renewable.

The cost of the project is now at \$7.4 billion, with partner Emera covering \$1.2 billion. That leaves \$6.2 million for the province to fund.

"That's going to be financed in a combination of equity and debt."

But Marshall stressed the borrowing will have no impact on the province's net debt. "We have the capacity to do this," he said. "We'll structure our debt to take full advantage of the low interest rates and we'll use the dividends from the project to service the debt."



Marshall said it has already been confirmed that the Muskrat Falls project is the cheapest way to meet the province's increasing energy needs.

Printed and distributed by NewspaperDirect | www.newspaperdirect.com, US/Can: 1.877.980.4040, Intern: 800.6364.6364 | Copyright and protected by applicable law.