NLIS 10 Natural Resources June 6, 2012

House of Assembly Passes Motion for Creation of an East-West Electricity Corridor

A resolution to encourage all governments in Canada to explore opportunities for an East-West electricity transmission corridor was passed introduced in the House of Assembly today.

"In our provincial Energy Plan, our government made a commitment to work with other governments and industry to establish an effective national electricity transmission system, and pursue appropriate transmission access to the national electricity grids in both Canada and the United States," said the Honourable Jerome Kennedy, Minister of Natural Resources. "Fulfilling this commitment through our support of this resolution will not only benefit the people of Newfoundland and Labrador, but it will bring tremendous benefit to the Atlantic region, the rest of our country, and to North America and beyond."

Creation of an East-West electricity grid will support increased electricity trade within Canada and the United States. The resolution highlights some of the proposed benefits including: increasing access to large and small scale renewable electricity sources across the country; reducing emissions and reliance on fuel generation; enhancing the country's electricity infrastructure and generating significant capital investment; facilitating interprovincial trade and transmission of power; and, increasing reliability and security of power supply.

"An East-West electricity would help to unlock Newfoundland and Labrador's vast supply of clean renewable power sources such as the Lower Churchill Project beginning with the proposed Muskrat Falls development," said Minister Kennedy. "Furthermore, participation in a national energy grid will maximize the reach of Canada's energy supply by linking Newfoundland and Labrador to jurisdictions with a growing demand for sources of reliable electricity."

- 30 -

Media contact:
Heather Maclean
Director of Communications
Department of Natural Resources
709-729-5282, 697-4137
heathermaclean@gov.nl.ca

BACKGROUNDER House of Assembly Resolution WHEREAS the federal government has tremendous power and leverage to lower barriers between provinces and forge a path toward fairness and true community;

AND WHEREAS Quebec has frustrated Newfoundland and Labrador's attempts to wheel electricity fairly through that province;

AND WHEREAS Prime Minister Stephen Harper and his colleagues have committed to provide a loan guarantee or equivalent financial support for the Muskrat Falls Project, which includes a sub-sea transmission link to the Maritimes, because it has national or regional importance, it has economic and financial merit, and it will significantly reduce greenhouse gases;

AND WHEREAS the Prime Minister, in announcing funding for Ontario under the ecoTrust on March 6, 2007, said that province could choose to use its funding to advance construction of "an East-West electrical transmission interconnect with Manitoba, allowing for the importation of clean hydroelectric power";

AND WHEREAS on September 16, 2009, the Prime Minister announced funding for the construction of the Northwest Transmission Line in northern British Columbia and the prospect of connecting the line to Alaska;

AND WHEREAS the opening of Canadian east-west energy corridors would give provinces the freedom to transmit energy to markets within Canada, create economic opportunity and strengthen the country;

BE IT THEREFORE RESOLVED that this House of Assembly urges all governments in Canada to cooperate in exploring opportunities to open east-west electricity transmission corridors within Canada.

2012 06 06

5:25 p.m.