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Subject : Ottawa Meetings.ppt
Attachment : Ottawa Meetings.ppt;

Objective

- To provide first-hand briefings to MP's, Senators and senior staff in the Government of Canada on the Lower Churchill Project.
- The briefings focused on: individual project elements; strategic value for NL and NS; the Nalcor-Emera deal and the national benefits from the project.
- The meetings were also an opportunity to discuss the federal asks including: P3, loan guarantee and investment tax credits.

Project Team

- **Gilbert Bennett**
 - Vice President, Lower Churchill Project, Nalcor Energy
- **Charles Bown**
 - Associate DM, Natural Resources, NL
- **Rob Bennett**
 - President and CEO, Nova Scotia Power Inc
- **Paul Black**
 - Director of Policy & Community Relations, Premier's Office, NS
- **Gerald Weseen**
 - General Manager, Communications and Public Affairs, NSPI

Meeting Schedule

- **Wednesday, Dec. 1**
 - Atlantic Liberal caucus
 - NS Conservative Senators
 - Environment Canada
 - Atlantic NDP caucus – NDP office

- **Thursday, Dec. 2**
 - Atlantic Conservative caucus
 - Prime Minister's Office

Summary

- The meetings were all very positive.
- There is tremendous support for the project in the Atlantic caucus of all three parties and clear delight in the demonstration of Atlantic cooperation.
- The briefings were very helpful for those who attended and through the presentations and questions, many questions and issues were addressed.

Common Themes

- Need for more information about the project.
 - there were some misunderstandings regarding elements of the project.
 - due largely to the fact that they are getting their information and analysis from the media.
 - questions were asked about the viability / financibility of the project and the benefits of the project in both provinces and the remainder of the country.
 - presentation on the need for the project to meet domestic load, reduce GHG's and stabilize electricity rates was very important context they had not heard.
 - strong messaging on the benefits and opportunities to NB and PEI; the Atlantic cooperation message was very well received.

Common Themes

- The second theme was the willingness to be engaged in supporting the project.
 - that they want to be openly supportive of the project but don't have the messaging or media lines to counter some of the negative responses they are hearing.
 - we were asked to provide additional information and messaging around the specific issues.
 - politicians openly spoke of the claims that the BQ was making regarding providing support to the project
 - they need to be armed with appropriate information and media lines so that they could respond.

Common Themes

- The third theme was federal assistance for the project.
 - “what are you looking for?” and “is the project viable?”
 - awareness of NL request for loan guarantee but not P3
 - Atlantic Conservative MP caucus had no knowledge of P3
 - messaged that the project was viable and that the request for support is meant to provide Canada with an opportunity to invest in a tremendous national project.
 - earmarking federal support as being a direct benefit to ratepayers who would benefit from lower project costs thorough their electricity rates.
 - did not encounter any negative reaction to the support request.
 - only concern was the question of whether P3 and the loan guarantee was an “either – or” proposition.

Atlantic Conservative Caucus

- Minister McKay was engaged in the presentation, took many notes and asked a number of questions regarding federal support.
 - spoke positively about the project: "we need to get this done."
 - Minister McKay and Senator Manning provided an update on Innu discussions;
 - they had been briefed by Minister Duncan.
 - the gap has been closed considerably with the feds moving from \$60 million in committed support to \$120 million.
 - the deficit was characterized as being \$30-40 million but that Innu may need to back off on some of their request as they would be inconsistent with Canada's approach to settling land claims.
- Senator Manning advised that the Atlantic Caucus would be meeting with Minister Flaherty next Wednesday.
 - requested project information, messaging and greater detail on the federal ask, including examples of similar federal funding.
- Also advised that Minister Flaherty would be in St. John's on December 17th as part of his budget consultation process
 - has requested a private meeting with 8-10 leaders to discuss NL issues.

Prime Minister's Office

- The meeting with PMO was very encouraging. The direct messages were as follows:
 - Ball is in NL's court with respect to providing information on the loan guarantee. There won't be a reply to the Premier's letter. Get the information to FIN and PMO.
 - We get the project and the benefits of the project to NL and NS, but we need more information. Help us help you
 - Won't be facilitating P3; that process will take place on its own. Be sure to provide all the required information.
 - Loan guarantee is easy. It can be done; but need the information soon. The opportunity is time limited.
 - Investment tax credits are an interesting possibility; specific information is required

Next Steps #1

Briefing Package

- A high-level briefing package, tailored to the audience, is required on an urgent basis.
- The Atlantic Conservative Caucus is meeting with Minister Flaherty next Wednesday meaning the package must be sent before Tuesday
- The focus should be:
 - basic project principles
 - economic and environmental benefits
 - Atlantic cooperation (impt to include NB and PEI)
 - Federal ask
 - Examples or other federal investments
 - Direct responses to BQ comments
 - Direct responses to questions on project viability and financibility

Next Steps #2

Federal Ask

- A package supporting the request for the loan guarantee and ITC's must be developed and provided to PMO and FIN asap.
- The federal government is engaged in its budgetary process, and while support wouldn't be provided in the upcoming fiscal year, the government will be planning for subsequent years.
- There is also the potential for a federal election meaning that the indication of support may come sooner rather than later.
- We should assume that a significant amount of project info is required and proceed to include in the package. Making a request to FIN on what info they require will only serve to delay the process. We should provide them with a package and allow them the opportunity to ask for more.

Next Step #3

Additional Briefings

- A repeat of these briefings is required.
- Some of the sessions were hurried and not everyone got to ask a question.
- It would be beneficial to target some of the MP's and Senators individually.
- NS proposes Thursday and Friday of this week

Direction Required

- Briefing Package
 - Respective Atlantic Caucus
 - Atlantic Conservative Caucus by Tuesday
- Federal Ask
 - Info for PMO and FIN
- Additional Briefings