

NLIS 11  
Natural Resources  
September 9, 2009

### **Maritime Route Still Option for Lower Churchill Power**

The Maritime route for the transmission of Lower Churchill power into the Maritime provinces and the United States is still one of two possible market access options being actively pursued by Nalcor Energy through the appropriate application process, the Honourable Kathy Dunderdale, Minister of Natural Resources, confirmed today.

“We are dealing with the system operator in New Brunswick through the established process to transmit power through that province,” said Minister Dunderdale. “It is incorrect for the Leader of the Opposition to say the capacity is not there. The system operator, through the normal application process, determines what capacity exists and whether additional system upgrades are required to handle additional transmission. The Maritime route is still very much an option for us.”

Nalcor Energy, the province’s energy corporation, made application in 2007 through the Open Access Transmission Tariff (OATT) process to wheel power through New Brunswick. This application is for 740 megawatts and is based on the transmission access required by the Lower Churchill project. This is a totally separate process from the one referenced by Opposition Leader Yvonne Jones in the House of Assembly.

“The 300 megawatts transmission capacity that was tendered in New Brunswick in 2007 does not meet our needs,” Minister Dunderdale said. “We identified what our needs are and made application to the operator to transmit 740 megawatts border to border. With all due respect to the Leader of the Opposition, she is talking about a totally different process than the one in which we need to be engaged and are engaged.”

Nalcor Energy did not make a bid in response to New Brunswick’s tender call last year as it did not suit the needs of the Lower Churchill project. Specifically, the preferred transmission route has not yet been determined; the transmission availability is not in line with the Lower Churchill project schedule, and other options were not precluded by waiting for more clarity on the optimal way forward.

“We have not lost our opportunity to wheel power through New Brunswick. To state otherwise is absolutely incorrect and it is not how the process works,” said Minister Dunderdale. “Once the studies by the operator on our application are complete, we will either be granted access to the existing transmission system and pay a transmission tariff, or the system operator will require the upgrade or construction of new transmission infrastructure. Any infrastructure costs incurred by us will be taken into account in any power purchase agreements we sign in relation to Lower Churchill power. The Maritime route is still very much alive and well.”

The Lower Churchill project is advancing on multiple fronts. Transmission access requests have been filed with Quebec and New Brunswick as an exit point into Ontario, the Maritimes and the northeast U.S. Nalcor Energy has also entered into discussions with Emera and Nova Scotia Power to study the subsea link and access to northeast U.S. markets. A full environmental assessment process has started for the generation portion of the Lower Churchill project. Appropriate consultations continue to take place with Aboriginal groups and discussions are proceeding with the Innu Nation on an Impacts and Benefits Agreement.

“We will understand this project completely before we make critical decisions on the project,” said Minister Dunderdale. “We are doing the necessary due diligence that is incumbent upon us to ensure we have the best possible project configuration from front-end engineering through to transmission and market delivery. We are advancing this project methodically and strategically and in the best interest of the people of this province for generations to come.”

- 30 -

Media contact:  
Tracy Barron  
Director of Communications  
Department of Natural Resources  
709-729-5282, 690-8241  
[tracybarron@gov.nl.ca](mailto:tracybarron@gov.nl.ca)

2009 09 09

5:20 p.m.