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No full PUB review for Muskrat Falls

Dunderdale says some form of public review will take place

Premier Kathy Dunderdale spent Tuesday defending the Muskrat Falls hydroelectric project, and saying it will have plenty of independent oversight. The project is exempt from scrutiny by the Public Utilities Board (PUB) based on a legislative amendment passed by then-premier Brian Tobin. Premier Kathy Dunderdale spent Tuesday defending the Muskrat Falls hydroelectric project, and saying it will have plenty of independent oversight.

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Limited role

Facing questions from Opposition Leader Yvonne Jones, Dunderdale said the PUB will, in fact, review the Muskrat Falls deal, but in a more limited way.

Normally, the PUB would scrutinize any new energy development, and certify that it is the cheapest option to meet demand.

Exempt from scrutiny

But based on policy still in effect from Tobin's government, developments on the Lower Churchill are exempt from that scrutiny.

Jones pounced on the revelation Tuesday; throughout the spring the Liberals have raised the Muskrat Falls issue at every opportunity.

Jones has said Muskrat power will be more expensive than other options. "If they're confident in this deal, and they're confident in their numbers — that it is the lowest-cost electricity that they can provide to Newfoundlanders and Labradorians — well, put it out there, and let's have a full process through the Public Utilities Board (PUB)," Jones said.

Dunderdale said she's confident Muskrat Falls is the best option, but a full PUB review would take too long.

"There certainly will be consultation, but timelines are important in all of this, so we have to work out the process," Dunderdale said. "That kind of process could take up to a year and a half, and that's not what we're looking for from the PUB at this point in time."

The deal has to be finalized with Nova Scotia utility Emera by November.

Instead of a full set of public hearings, Dunderdale said the government is trying to determine some other form of public consultation, combined with a review of Nalcor's numbers regarding Muskrat Falls.

"There are ways and means of testing the information that Nalcor will provide, and they'll have a look at what Nalcor provides, what consultants and engineers, and so on, have provided to Nalcor," Dunderdale said.

The project will be compared against importing electricity from the mainland, and keeping the system isolated, replacing the Holyrood thermal generation site and developing some small hydro projects.

Best options

Dunderdale said those were the only credible options.

In addition, she said, Nalcor is hiring an independent consultant to do its own review of the numbers. That review is expected to be finished sometime this summer.

But Jones said she will be skeptical of anything less than a full independent public review by the PUB.



"There's no purpose in having a process that's going to be stacked by government, where the PUB is going to be limited in the work that they need to do," Jones said.

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