

Marshall promises Muskrat Falls oversight committee

Will be staffed by top bureaucrats

Premier acknowledges concerns about oversight

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Premier Tom Marshall says he'll set up a Muskrat Falls oversight committee, staffed by bureaucrats across at least four different government departments, and headed by the province's top civil servant.

On Wednesday afternoon, following the opening in the House of Assembly, Marshall signalled that he'll beef up government monitoring when it comes to the massive hydroelectric development. On Thursday, he gave reporters specific details of what that will entail. The committee, made up of bureaucrats from the departments of Natural Resources, Finance, Justice and Environment, will report directly to cabinet, and the government is asking for more frequent updates from Nalcor on project finances.

"There will be monthly reports. We'll meet with Nalcor monthly," Marshall told reporters outside the legislature Thursday afternoon. "There'll also be quarterly reports as well. We want Nalcor to release its financial information on a quarterly basis as opposed to annually, and they've agreed to do that."

The announcement comes just a few weeks after The Telegram first reported that the government didn't ask to review a key report by an independent engineering firm assigned to conduct oversight on costs, construction timelines and other aspects of the \$7.7-billion hydroelectric project.

The independent engineer provides reports to Ottawa as a condition of the federal loan guarantee.

On Feb. 24, Dalley told the Telegram, "We didn't need to see the report," because he was confident in the work being done by Nalcor.

At that time, Dalley said there were no experts at all in the Department of Natural Resources doing detailed oversight of Nalcor. He said the reporting structure was simply Nalcor CEO Ed Martin speaking directly to the deputy minister, who would report to Dalley.

On Thursday, Marshall acknowledged that some people have been a little bit concerned about the state of things.

"We're listening. We're hearing what people have to say," he said. "It is a big project. It's the people's project. We sense that the people want to have more information, they want more oversight, and that's what they're doing."

Liberal Leader Dwight Ball was unconvinced; he said he likes the idea of the government keeping a closer eye on Nalcor while Muskrat Falls is under construction, but this move comes too late.

The energy corporation is currently spending around \$2 million per day on Muskrat Falls, and the procurement contracts that have already been signed total more than 93,000 pages.

“Most of the commitments to Muskrat Falls are already made — without oversight,” he said. “It leaves us in a very precarious situation here about cost overruns, something we’ve been very concerned about.”

New Democrat Leader Lorraine Michael said she’s not satisfied to take the government’s word for it when it comes to project oversight; she wants to see the reports from the independent engineer.

Marshall said he expects to announce the full details of his Muskrat Falls oversight plan alongside Dalley sometime early next week.