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# Opposition asks: how about those DG3 numbers?

Liberals, NDP concerned province doesn't know how much Muskrat Falls project will cost

Opposition politicians mostly reacted to Tuesday's Muskrat Falls announcement with a shrug — both the Liberals and the NDP are more focused on how much the project is actually going to cost.



The Muskrat Falls partners — Newfoundland and Labrador, Nova Scotia, Nalcor and Emera — signed a package of 13 legal agreements totalling about 1,500 pages that details how the Labrador hydroelectric project will be developed.

"When I look at the big picture, I'm very disappointed," said NDP Leader Lorraine Michael. "I'm glad they've got their contract signed, but we still don't know what the reality of Muskrat Falls is for the people of Newfoundland and Labrador. We still don't know what Muskrat Falls is going to cost consumers."

Ultimately, the government still needs to decide whether or not to formally sanction the project, and before that happens, there will be a debate on the issues in the House of Assembly this fall.

Premier Kathy Dunderdale had said she hoped that final "Decision Gate 3" cost estimates would be drawn up by mid-July, but on Tuesday reporters were told it will be another little while before that work is done.

The partners don't know how much the project will cost, and they don't know how much the electricity will ultimately cost ratepayers, but Dunderdale has been bracing the public that the final cost estimate will be substantially higher than the initial estimate of \$6.2 billion.

"Here we are with a term sheet in place with Emera, and we don't know the cost," said Liberal Leader Dwight Ball. "We really don't know, at the end of the day, what this is going to cost our province.

"What we do know, however, is that Newfoundlanders and Labradorians — the people on the island of this province — will be paying more for power than anybody else who can access Muskrat Falls power."

At Tuesday morning's news conference, Natural Resources Minister Jerome Kennedy said he's convinced any alternatives to Muskrat Falls would face similar cost escalations, and the massive hydroelectric project is the cheapest cost for Newfoundland's electricity needs.

One specific area of interest for the opposition parties was potential project cost overruns.

If the total construction costs balloon past the Decision Gate 3 estimates, Nalcor — and by extension the taxpayers — are potentially on the hook for most of those increased costs.

"We still have questions here around the overruns," Ball said. "We're the ones that are mostly exposed in all of this."

As for the specific text of Tuesday's freshly signed legal agreements, that wasn't actually available to opposition politicians or journalists until late in the afternoon.

Ball said they'll dig into it as quickly as possible, getting ready for this fall's debate in the House.



"We've got some reading to do, of course."

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