

Date : 11/20/2012 9:48:52 AM

From : "Maclean, Heather"

To : "Kennedy, Jerome" , "Bown, Charles W." , "English, Tracy" , "Scott, Paul G."

Cc : "Shute, Tracy" , "Williams, Tina" , "Lawlor, Lisa E"

Subject : media: CP - Opposition fumes as province limits debate on Muskrat Falls project in Labrador

Opposition fumes as province limits debate on Muskrat Falls project in Labrador

Canadian Press

Published on November 19, 2012

ST. JOHN'S, N.L. (CP) — Anger boiled over at the legislature in St. John's, N.L., Monday as Premier Kathy Dunderdale signalled she's ready to approve the \$7.4 billion Muskrat Falls hydro project even before a curtailed debate.

It was a raucous first day of the fall sitting that culminated when Dunderdale moved a private member's motion in support of the development in Labrador — a tactic that limits debate to "not more than one sitting day," according to standing orders.

If that wasn't enough to provoke her Liberal and NDP opposition, the premier then told reporters that she might move even faster.

"The project is not going to be held up due to what's happening here in the house of assembly," she said. "We were prepared to engage in a special debate but the Liberals shut it down completely."

Her majority Progressive Conservative government is expected to approve the plan to bring hydro power from the lower Churchill River in Labrador to Newfoundland then Nova Scotia using subsea cables. But it is waiting on a promised federal loan guarantee that could save hundreds of millions of dollars in borrowing costs.

An emailed statement from federal Natural Resources Minister Joe Oliver last week said that work continues with a financial adviser on terms of the loan guarantee.

Debate on the private member's motion would likely happen Dec. 5, but Dunderdale said she's ready to greenlight Muskrat Falls sooner.

"I can't allow the opposition to delay and delay and delay the project. If all the circumstances are right, the information is there... then we're going to have to move on with business."

Dunderdale said Muskrat Falls has been validated by world-class consultants hired and paid for by her government.

She has refused any further review by the province's Public Utilities Board since it declined to endorse the project last spring, saying it lacked time and updated documentation.

Opposition leaders and a growing grassroots movement calling itself the People's Assembly are demanding Muskrat Falls be put before an impartial regulator.

Public spending watchdogs such as the Canadian Taxpayers Federation and Democracy Watch, a citizens advocacy group for accountable government, say Ottawa should hinge any loan guarantee on regulated approval.

An incensed NDP Leader Lorraine Michael said Dunderdale's move Monday to limit debate smacks of disrespect and manipulation.

"I'm absolutely outraged by what they're doing," she told reporters. "I certainly can't call it a debate.

"The message to me is they're not taking this whole process seriously. I mean, they're playing a game with the most expensive project this province has ever taken on. Billions of dollars of taxpayers' money and they're playing this game."

Liberal Opposition Leader Dwight Ball has insisted that any special debate on Muskrat Falls, a format which requires all-party consent, must allow members to question hydro consultants that the government has relied on for endorsement.

"The process that we outlined, it's still on the table," he told reporters. "I still believe that the witness component is important to that, either through the house of assembly or through some committee structure."

Dunderdale has refused both, saying that the opposition has had access to experts through the government's Crown corporation Nalcor Energy for two years, along with detailed briefings.

She accused the Liberals of wanting to question witnesses to contribute to "confusion" and "spin."

"This project has undergone more scrutiny than any other in the province's history."