

Concerned Citizens ask Muskrat Falls Inquiry commissioner for North Spur review

Ashley Fitzpatrick (ashley.fitzpatrick@thetelegram.com)

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Lawyers for parties with standing at the Muskrat Falls Inquiry wait for the start of proceedings, as final submissions are offered to Commissioner Richard LeBlanc at the Lawrence O'Brien Arts Centre in Happy Valley-Goose Bay on Monday. Ashley Fitzpatrick/The Telegram - Ashley Fitzpatrick

Final submissions underway in Labrador

HAPPY VALLEY-GOOSE BAY, N.L. — It's the final week of hearings at the Muskrat Falls Inquiry, with a last chance for all parties to present their points of view on the megaproject to Commissioner Richard LeBlanc.

LeBlanc heard from four lawyers Monday: Peter Ralph, on behalf of the Government of Newfoundland and Labrador; Dan Simmons, for Nalcor Energy; Geoff Budden, on behalf of the Concerned Citizens' Coalition; and Harold Smith, for former Nalcor Energy president and CEO Ed Martin.

And while the commissioner posed questions to all four, on the evidence and written briefs, it was the coalition who went all-in, asking for specific, final recommendations.

Among other things, regardless of agreements in place, the coalition wants the Public Utilities Board (PUB) to be able to review project costs before they go into island power rates. They want future costs, down to Nalcor marketing costs for outside electricity sales, overseen by the PUB.

They asked for a review of Nalcor's powers by a committee of the legislature, particularly in terms of access to information.



Harold Smith (left) speaks with his client, former Nalcor Energy president and CEO Ed Martin, during a break in the first phase of Muskrat Falls Inquiry proceedings in Happy Valley-Goose Bay earlier this year.

They requested a continuation of the audit work started by the inquiry, covering the project to its completion.

They'd like public censure for Martin and project director Paul Harrington, and others who were in positions of authority at Nalcor Energy, based on their involvement in the project's sanctioning and construction.

They want an independent expert panel to review the stability of the North Spur.

The coalition attacked the original decision by Nalcor Energy and the province to undertake the Muskrat Falls project as shortsighted and requiring "a reckless gamble" on oil price projections. And they argue the Muskrat Falls project proceeded without alternative options being fully explored, including demand management, power purchases from Quebec and waiting until 2041 for a deal for Churchill Falls power.

"Our submission (...) is that Nalcor did not consider and reasonably dismiss options other than the Muskrat Falls project," Budden reiterated, in the muggy heat in the Lawrence O'Brien Arts Centre.

From premiers, to ministers, to the Nalcor board, to the government oversight committee, as far as the coalition is concerned, based on its submissions, there's serious criticism to go around.

"It is our submission that our public service failed us. We needed a public service prepared to tell truth to power, but that never happened," reads the written submission to LeBlanc.

In stark contrast, Martin – through his lawyer – repeated his confidence in the Muskrat Falls project being the right choice for the province. He warned against hindsight bias.

He said the increase in the cost of the project over time is unfortunate. But Martin's position is also that not enough has been said of the project's long-term benefits.

His detailed, 131-page written submission addresses everything from the ruling out of Quebec power purchases to the negotiations with project contractor Astaldi, emphasizing the importance of context for each question arising.

It was directly critical of the inquiry at one point, saying inquiry lawyers proceeded with a bias against the project and failed to recognize the diligence behind the hydro development.

"It is Martin's submission that the commission must avoid trying to identify someone to blame for cost overruns. A better focus would be on the sources of cost increase, and identifying whether those sources had a reasonable explanation," it states.

Final submissions continue Tuesday.

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