

Public Utilities Board
Muskrat Falls review
Torbay road
St. John's, NL

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Dear sir or madam,

I would at first like to thank the Public Utilities board for their work, albeit under a stressful timeframe and with the limited resources that you have been given. It must be hard to live up to expectations at times given the limited time-frame you have to perform your work.

I have had some experience dealing with energy issues, particularly on a consumer perspective. It is in this perspective that I write to the Board.

The purpose of this presentation is to present my views of the Muskrat falls proposal, and what consumers could be missing. Even though these thoughts are outside the scope of your work, I feel they should be entered into the public record.

I feel that, in not choosing other options as the scope of the proposal into new energy for the province, that the consumer's best interests have not been served, and that the province is missing out on other opportunities. My views are my own in this regard.

No natural Gas option

The fact of the matter is that natural gas was not considered in looking for other options in the supply of power to the province, and it is in this regard that I feel that the province should hold back until this option has been analyzed. Natural gas, as we know, can be used for the generation of electricity and it is currently cheap, in plentiful supply, and as the markets are predicting, will continue to be for at least ten years because of a build in the overall supply inventory.

Currently, as of February 29, 2012, Nova Scotia consumers are paying the rough equivalent of 4.7 cents a kilowatt hour for electricity, 50.1 cents a litre equivalent for heating oil and 33.3 cents a litre for propane.

<http://www.heritagegas.com/residential/residential-rates.html>

It's not just the fact that natural gas is available in quantity that should make it attractive. When it comes to the use of natural gas as a viable energy source, the province should also be looking at bringing in natural gas as an anchor to bring the gas to the North American marketplace. Whatever we don't use for domestic electrical production, or for central heating for homes, we could be sending it further by connection to Nova Scotia's present lines to the North American natural gas grid. It is estimated that Nova Scotia's natural gas only has another eight years of expectancy, so, we know they have to find alternative fuels to supplement mainland Canada needs.

That being said, we lose other things like royalties, a secondary source of taxation, municipal funding and employment in a new industry. We also lose employment in secondary sourced industries that would supply consumers and industry that use natural gas.

No wind option

A gentleman from a company called Western Wind Energy was on the Business News network a few weeks ago talking about the cost of wind energy right now. His costs put wind energy at \$1 million per megawatt generated and installed being done by Asian wind energy companies now. Estimates for wind energy generation vary anywhere between seven cents, to upwards of fifteen cents a megawatt of generation. I really don't know what the potential could be for lower cost electricity to the end user (consumer) here, but, I believe we are missing a key ingredient in the mix of our energy options and why we should be doing it in the first place.

No Conservation option and "choice"

We are fast getting to be a society that cares about what happens to our environment. Simply put, we are talking a lot about consumption of electricity and not enough about conservation of energy. Cost may be argued as a final arbiter of what the consumer uses, but "choice" is missing in the mix that brings affordability in line with consumer need. I'm asking that the Public Utilities Board consider the factor of consumer affordability in its further deliberations on the viability of the Muskrat Falls project. While discussions are ongoing, the fact is that we can in fact, take the demand off electrical needs by introducing natural gas as an alternative energy option. Not only will we take the pressure off the electrical grid by natural gas users' switch to that source of heating, we also add further capacity to the "isolated island". In the end, we can in fact, bring consumer prices for these energy commodities down by allowing the entry of another option like any of these into the consumer-driven marketplace.

Environmental impact

Negating the pressure to find alternative generation of electricity by the development of Muskrat Falls, we get to impact our foot-print on the environment as well. Considering the fact that there was a federal study done of the possible impacts on the Lower Churchill development on Lake Melville, it concerns me that the natural decay of vegetation into the ecosystem from the new reservoir would add another source of mercury to the water system that should be of concern. With Quebec's development of the James Bay project, there was some concern over mercury levels in the eco-system that was a worry to residents of that water system. I'm going by memory here when I say that there was a correlation between fish in the area and the indigenous peoples who lived there. Links were made between mercury levels there and the situation in Minimata, Japan. Symptoms of Minimata disease were in the areas of the James Bay projects that allowed mercury to enter into the food chain where it affected the people there.

Do we really need this power that bad that we put these things at stake? Are there other things that we could be doing that we aren't? Can we help make life affordable and cost-effective by allowing other options that aren't being explored?

My regards and thanks,

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