

February 15, 2012

The Muskrat Falls project is clearly not the way to go, at least not now. The benefits of Muskrat Falls would be tremendously owned by Quebec (Quebec labour, Quebec fabrication, Churchill Falls all over again). This province is importing skilled labour from outside the province now for the Long Harbour development. This can only mean that Newfoundland Labrador would not relatively benefit from skilled labour jobs. It would be unlikely that there would be any relative benefit from manufacturing and fabrication. We are already losing jobs with fabrication associated with offshore oil. Muskrat Falls would be too soon and too much for present fabrication capacity.

The province's need for sustainable, renewable and green energy could be a godsend. We need to choose energy alternatives that allow control over the pace in which we move forward. This approach will maximize the benefits of job creation and ensure that this province is the major beneficiary of our investment. Alternative energy choices could stimulate the economies of rural areas with development of energy projects. The kickback of income tax and sales tax that would go to the province from jobs and resources in this province would decrease project costs significantly.

The Muskrat Falls project puts all the eggs in one basket. Without proper investigation into alternative energy sources, which has not been done, going forward with this project would be reckless. The cost of this project is between \$12,000 and \$18,000 per every man, woman and child in this province. It would be far better for Newfoundland Labrador to invest into infrastructure and secondary fish processing. This is a strategy that would create jobs and enable people in this province to afford their utility bills.

Before any decision is made on Muskrat Falls, we need thorough investigation with all supporting documentation and no unanswered questions. As I stated above, Muskrat Falls will cost every man, woman and child in this province 12-18 thousand dollars. The impact of this project is huge and the likelihood of even further cutbacks to services and programs that Newfoundlanders and Labradoreans depend on indicates the Muskrat Falls project should be put to a referendum or at least a plebiscite.

The following are a list of questions yet to be answered with supporting documentation and until such time as the information can be provided, any decision to push the Muskrat Falls project forward would be reckless, even treasonous.

- 1) Do other partners in the Muskrat Falls project share in overrun costs or does Newfoundland Labrador pick-up the total cost of the overruns?
- 2) Has there been any environmental study done on the impacts of mega-electrical transmission along the ocean floor or even along the shoreline of other provinces?

- 3) In the event that both ocean floor and coastline transmission fail environmental concerns and with billions of dollars invested, will Newfoundland Labrador be over the barrel of having to transmit the power through Quebec?
- 4) Has the Government of Newfoundland Labrador researched the potential of alternative micro-energy generation that falls outside of either Muskrat Falls or wind turbines (ie. waterflow energy generation WFEG)?
- 5) How much of the total investment and cost of Muskrat Falls will go to the province of Quebec?
- 6) Would the low interest rates available now be subject to possible interest rate hikes or are they fixed long-term for the life of the repayment terms?
- 7) Could repayment terms cause penalties and higher interest rates in the event of an economy down-turn that could impair NL's ability of repayment?
- 8) Given the investment not including interest, costing every man, woman and child of this province anywhere from 12-18 thousand dollars, shouldn't doing the project be put to a referendum or plebiscite?
- 9) What is the total cost of Muskrat Falls including interest?
- 10) Wouldn't the act of pushing through the Muskrat Falls project without first compiling and studying all information thoroughly constitute an act of treason against this province?

Sincerely,

Bernard Cook