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Speaker: Honourable Paul Lane, MHA

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The House met at 10 a.m.

SPEAKER (Lane): Order, please!

Admit strangers.

The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Speaker.

I rise on a point of order and a point of privilege, Standing Order 49. This is my earliest opportunity to do this, given that the incidents happened during Question Period and you adjourned the House immediately after Question Period, and then an incident happened during the Speaker's parade.

Yesterday, during the course of Question Period, as I was asking questions, the Member for Placentia West - Bellevue shouted out from across the way calling me a sellout. I believe that's unparliamentary language, especially troubling given the fact that we're doing our job as Opposition asking questions about this very important deal. I would know nothing different that the Member opposite did, not too long in January 2025. It's incredibly disappointing, incredibly disturbing and in fact it's incredibly insulting to me, personally, as I try to do this for Newfoundlanders and Labradorians.

After you adjourned the House, Speaker, I asked him something about the fact that he said it and as he was leaving in the Speaker's parade, he said, if the shoe fits, wear it. I think that's unparliamentary language as well, but the Deputy Speaker does have a dual role. So the point of order while he was sitting as a Member, as a politician, that's one thing, and then leaving in the Speaker's parade in his robes, his secondary role as Deputy Speaker is to be impartial. I think a comment like that, if the shoe fits, wear it, is not impartial. I do not, now, feel that my privilege in this House of Assembly to be treated with impartiality exists anymore; I think it has been

breached. So I ask you to take that under consideration.

Mr. Speaker, one other thing I will say. You were very close to him, I'd be surprised if you didn't hear that and there are many Members, if not all Members, on this side of the House that heard that comment as well.

SPEAKER: The hon. the Member for Placentia West - Bellevue.

J. DWYER: If I said something unparliamentary, Speaker, I'll withdraw it.

AN HON. MEMBER: If I said it, thanks shameful.

SPEAKER: I will say, the Speaker never actually heard the comment during Question Period, that part, so did the Member wish to ...?

J. DWYER: I withdraw.

SPEAKER: Okay, the Member has withdrawn. That would be to the point of order.

I guess on the point of privilege, I will have to consider what has been said and provide a ruling at a later time.

The hon. the Member for Burgeo - La Poile.

M. KING: Yes, Mr. Speaker, I do want to speak to the point of privilege to say that for the Member of Windsor Lake, I did hear the comment in the House as well, just to back up that many Members on this side of the House heard the comment and think that it's very unparliamentary.

SPEAKER: Are there any other speakers to the point of privilege?

Well, that said, as I said, the point of order has been addressed by the hon. Member. On the point of privilege, I will have to consider what has been said and I will provide a ruling on it later.

Carrying on with our agenda this morning, I want to welcome Mr. Dan Levert to our Chamber. Mr. Levert was the chair of the Oversight Committee.

**EXTRAORDINARY DEBATE PURSUANT
TO STANDING ORDER 8(7) - Definitive
Cooperation and Implementation
Agreement between Newfoundland and
Labrador Hydro, Hydro-Québec and
Churchill Falls (Labrador) Corporation
Limited**

SPEAKER: We will follow the same rules that we've been following throughout this whole process, 15-minute increments when recognized. The person asking the question has up to one minute to ask the question and Mr. Levert has as much time as he feels he needs to answer the question.

For the benefit, I guess, of Mr. Levert, because everyone else is familiar with these rules, questions and answers are to be directed to the Speaker's Chair.

With that said, we will begin.

The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

Good morning, Mr. Levert, welcome and thank you for being in attendance at the hon. House of Assembly here this morning.

First of all, I would like you to actually describe the name of the Oversight Committee for the House, please.

SPEAKER: Mr. Levert.

D. LEVERT: Yes, it is the Churchill River Negotiations Oversight Committee.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

I would like you, Mr. Levert, to tell the House of Assembly something about your background and why you agreed to chair this committee.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

I am pleased and honoured and indeed it is a privilege to appear before this House on a matter of such importance to this province. I am the representative and spokesperson, as well as chair, of the Churchill River Negotiations Oversight Committee.

I'm an engineer and a lawyer. I spent a good part of my career as in-house counsel for the Kiewit Corporation. Kiewit has 35,000 employees and does an annual volume of roughly \$18 billion a year.

I began my career with Kiewit in 1979 on the La Grande-3 James Bay hydro projects in Northern Quebec. I moved from there to the Nipawin dam hydro project in Saskatchewan in the mid-80s. I also worked on another hydro project, the Churchill River Diversion project, in Northern Manitoba in the 1970s as a surveyor.

I've been involved with projects in Newfoundland and Labrador since 2001. We developed the Voisey's Bay mine. We built the Long Harbour nickel processing plant. We fabricated the White Rose topsides. We built the Hebron Gravity Based Structure in Bull Arm. Since my retirement, I have consulted to the contractor building Site C in British Columbia and the concrete gravity structure in Argentina.

My direct involvement with Kiewit's projects in Canada as a lawyer included contract negotiations and drafting, contract administration, including dispute resolution. The contract models that I worked under, that the company worked under, for the projects across the country included design-bid-build, design-build, engineer-procure-

construct, design-build-operate-transfer and public-private partnerships. We were the third P3 in Canada when we built the Sea to Sky Highway in British Columbia for the Olympics. Most of these projects we built with other parties, contractors, engineering firms, using general partnerships and joint ventures.

Let me say a few words about my two colleagues on the Oversight Committee. Julia Mullaley is a CPA and a CA. She brings extensive experience in governance, financial stewardship, public policy, accountability and oversight. As Auditor General, she reported directly to this House and led independent audits and reviews across government, its agencies and Crown corporations.

She held senior financial and fiscal policy roles within government and also participated directly in negotiations associated with major resource developments in the province. That combination of financial expertise, executive leadership, knowledge of government decision-making and independent oversight experience was a significant asset to our committee.

Julia, I found, is particularly adept at identifying nuances and probing the implications of information being presented. She demonstrated this consistently in our meetings with the negotiating team, through focused questions and careful consideration of the rationale for negotiating positions and the issues and trade-offs that arose.

Mike Jardine is a professional engineer, with 38 years experience in the electrical utility industry. He spent 29 of those years with Newfoundland Power. Mike understands all aspects of the power business. Of note, for the past nine years, Mike – who recently retired from Fortis – was chief operating officer of a large transmission project in northern Ontario, where he worked in partnership with numerous First Nation communities.

Mike's technical knowledge and experience, calm demeanour and confidence, together with his direct approach, facilitated our communications with the negotiating team.

Thank you, Speaker.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

If you could also explain why you agreed to chair this committee?

SPEAKER: Mr. Levert.

D. LEVERT: Levert. It's French for green, la couleur.

SPEAKER: Okay, there you go.

D. LEVERT: Mr. Speaker, I was approached and agreed to sit on the committee because of the keen interest that I have in this project, and the success of this province. Since my retirement from Kiewit in 2015, my wife and I split our time between Canmore, Alberta and St. John's, Newfoundland.

We have a great circle of friends here; we enjoy the province very much. We've been to Labrador, we've been all over Newfoundland, we've hiked the East Coast Trail and I just have a very keen interest in this province and want to see the best for its people.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

Could you, Mr. Levert, tell us when was the committee set up and who appointed it?

SPEAKER: Mr. Levert.

D. LEVERT: I was asked to sit on the Oversight Committee on May 13 of this year

and I met my colleagues, Speaker, on June 3. I was approached first by Jerome Kennedy and then learned very quickly that we would be reporting to the clerk of the Executive Council.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Could you please tell us who appointed the committee?

SPEAKER: Mr. Levert.

D. LEVERT: My understanding is that the appointment was from the Cabinet or from the clerk of the Executive Council.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Did the committee have terms of reference? And what did they say your particular role or your job was?

SPEAKER: Mr. Levert.

D. LEVERT: Yes, Speaker, we did have a mandate. The role was to monitor the negotiations of the negotiating team with Hydro-Québec by receiving regular briefings from the negotiating team. It was very clear that we were not there to in any way direct or instruct the negotiating team but to review and assess whether the conduct of the negotiations was reasonable and in compliance with the negotiation strategy.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

You indicated with respect to the role of the committee. I just want you to expand on that a little bit more. Was your role to advise, to approve or to report? And if it was to report, if it included reporting, who did you report to?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

The role of the committee was certainly not to in any way direct the negotiating team. We were there to monitor and we did so through a series of weekly meetings, beginning on June 5 and ending on August 14. During those briefings, the committee was there to present where they were at with the negotiations, what the positions were. We questioned the committee and became fully briefed on the negotiations after each session. Following the meetings with the negotiating team, we then reported directly to the clerk of the Executive Council.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

Mr. Levert, did you agree with your mandate with government before the talks started?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, yes, we did.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

I'm just going to move on now to another area involving the negotiating team. How often did the committee meet – I know you said weekly – with the negotiating team? How did they brief you at those meetings?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

The negotiating team actually met with us on 12 separate occasions. I chaired the meetings and led the discussion. We were briefed verbally. We also received written documents from the negotiating team on

proposals, counter proposals from Hydro-Québec. Any information that we asked for, we were given. During every meeting, those people from Newfoundland and Labrador Hydro who were assisting the negotiating team were present to answer questions – technical questions, primarily, and legal.

So having had the benefit of receiving all of the information from the negotiating team, we were then in a position to report to the clerk of the Executive Council.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Mr. Levert.

With respect to the meetings that you had, who directed those meetings? Was this at the team's discretion or your discretion? How did these meetings come about in terms of arranging them?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, during the negotiations that took place between June 5 and August 14, the negotiating team let us know when they would be available to meet with us. This normally took place after each session with Hydro-Québec and others.

As I said, I chaired the meetings, led the discussion. Mr. Perry would invariably report to us where things were at with the negotiations with Hydro-Québec and we then entered into discussions. We asked many, many questions and we received responses that were satisfactory.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: So I guess it is safe to say that there was a set weekly schedule that was in place; is that correct?

SPEAKER: Mr. Levert.

D. LEVERT: Yes, Speaker, the initial set of meetings regularly took place on Thursdays but then it began to alter somewhat as a result of the sessions that the negotiating team was spending with Hydro-Québec either in Montreal – I believe there was one session here and they had virtual sessions.

The timing would fluctuate so that it coincided with, immediately following each session, we would then meet with the negotiating team.

SPEAKER: The minister's time has now expired.

The hon. the Member for Gander.

B. FORD: Thank you, Speaker.

I would like to ask Mr. Levert, who requested your appearance in the House of Assembly today?

SPEAKER: Mr. Levert.

D. LEVERT: I am sorry, Speaker. I didn't get the question.

SPEAKER: The hon. Member for Gander, repeat the question.

B. FORD: Thank you.

Who requested your appearance in the House of Assembly today?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, I received the request from yourself.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker.

I would like to ask, are you aware that the previous oversight panel appointed after the last MOU included a statutory Officer and then he selected the other two panellists by

submitting a list of names to be screened for conflicts and then having final say over the other two members, all in accordance with the Terms of Reference?

SPEAKER: Mr. Levert.

D. LEVERT: I was not aware of the format or the procedure that was followed previously.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker.

I would like to ask, do you feel that your committee would have more legitimacy to the public if the members were not all appointed directly by the Premier?

SPEAKER: Mr. Levert.

D. LEVERT: You are asking me to express an opinion as to whether or not the appointment altered the credibility of our committee, I would say that, no, it has not in any way impacted our approach or our credibility.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker, and thank you, Mr. Levert, for your opinion.

Are you and the other members compensated for your time on the Oversight Committee?

SPEAKER: Mr. Levert.

D. LEVERT: Yes, Speaker, we are.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you.

Speaker, I'd like to thank the gentleman for explaining the Oversight Committee's role,

of course, it being "to review and assess whether the conduct of the negotiations is reasonable and in compliance with the negotiation strategy." Do you feel that was done and was there a report prepared?

SPEAKER: Mr. Levert.

D. LEVERT: Yes, Speaker, we certainly are of the view that that was done. As I said, after each session with the negotiating team, we prepared a report that was submitted to the clerk of the Executive Council.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you.

Speaker, I'd like to ask Mr. Levert, do you feel reasonable, as a directive, is a high enough standard to hold such important negotiations?

SPEAKER: Mr. Levert.

D. LEVERT: If you're asking for my opinion as to whether or not the mandate was reasonable, is the reasonable standard high enough, my answer is yes.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you.

Speaker, the Premier has said the recommendations of the Independent Review Committee formed the framework for working towards getting a deal. I'd like to ask, was the IRC the framework of the negotiation strategy that you were overseeing?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, as I understand it, we were not involved in the development of the negotiation strategy. As I understand it, the negotiating team worked with the

government to develop that strategy which was ultimately approved by the government.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you.

Speaker, I am wondering, in the strategy that you were provided with and that oversight, of course, being a part of the committee's role, were there references to the Independent Review Committee in the strategy that you were provided with?

SPEAKER: Mr. Levert.

D. LEVERT: There were no direct references to, say, the "IRC" but certainly the recommendations from the Independent Review Committee, and indeed the entire report of the committee, is reflected, to a certain extent, in the negotiation strategy.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker,

Do you feel the new agreement has met the framework as outlined in the IRC report?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, we are of the view that the DCIA does comply with the negotiation strategy.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker.

I just want to dig a bit deeper there. Mr. Levert said the DCIA complies with the negotiation strategy. We know that the negotiation strategy was framed up because of the recommendations in the IRC.

To confirm, has the new agreement met all of the recommendations of the IRC?

SPEAKER: Mr. Levert.

D. LEVERT: The negotiation strategy did acknowledge that in any negotiation there is a give-and-take. It recognized that all of the asks of the Province of Newfoundland and Labrador would likely not be satisfied.

So to the extent of the negotiation strategy, recognize that, it was then up to the negotiating team, as directed by the government, to comply to the extent that it could, to meet the strategy. But, again, the DCIA, in its form today, is consistent with that strategy.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker.

Knowing that the IRC formed the basis of the negotiations and your role was to assess whether the conduct of the negotiations was in compliance with the negotiation strategy, can you assign a percentage of what you feel was met in terms of the IRC recommendations?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, I cannot give you a percentage, no.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker.

According to your terms of reference, you have no requirement to update the public, correct?

SPEAKER: Mr. Levert.

D. LEVERT: I'm sorry, I didn't get the question.

SPEAKER: The hon. the Member for Gander to repeat the question.

B. FORD: Thank you, Speaker.

According to your terms of reference, you have no requirement to update the public, correct?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, that is correct.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker.

I'd like to ask, your terms of reference outlined the confidentiality of your work, as opposed to openness to the public. How do you feel this provides the public any confidence in the work of your Oversight Committee?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, that is up to the clerk of the Executive Council and the government to decide. Our mandate was to report to the clerk of the Executive Council and that's what we did.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you.

I'd like to ask Mr. Levert has he had any meetings with the Premier to update the Premier on the work of the committee or representatives of the Premier's office?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, the only time that we met with the Premier was following the negotiations; it was after the negotiations were completed.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you.

I'd like to ask what the nature of that meeting was.

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, the Premier thanked us.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you.

Speaker, do you have any concerns that the basis for the mandate is the IRC report, yet the public, and no one knows who made submissions, what submissions were adopted and what ones were rejected?

SPEAKER: Mr. Levert.

D. LEVERT: I do not have any concerns, no, Speaker.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you.

Mr. Levert, in your role as chair and in your oversight, did you ask who the stakeholders were who submitted to the IRC, who were consulted with by the IRC that formed the framework for the negotiations that you were overseeing?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, no we did not.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker.

Given your background, as you outlined to us in your earlier remarks, do you feel the public should know the background information that went into the IRC report, keeping in mind that it was done as a public inquiry, yet nothing was made public?

SPEAKER: Mr. Levert.

D. LEVERT: I do not have an opinion and it was not within our mandate to opine on that.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you.

Speaker, in the House of Assembly, the Premier admitted he did not know who the experts relied upon in the report were, who those stakeholders were, who his Independent Review Committee consulted with and who informed the IRC. Do you know who they are?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, I do not.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker.

Does it concern you that the Premier does not know who the experts and stakeholders are that the IRC consulted with, which formed the recommendations for the committee that you were overseeing?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, I again do not have an opinion on that. I know that the IRC completed its report and made its recommendations, and that the strategy certainly took into account the recommendations of the IRC and that formed part of our mandate.

SPEAKER: I understand the process is kind of awkward, but you have to address it to the Speaker, not a direct conversation back and forth.

The hon. the Member for Gander.

B. FORD: Of course, thank you, Speaker.

Speaker, I'd like to ask again, given the gentleman's background, do you feel that that process is good governance, to rely on a report without knowing where the underlying data came from?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, I am not prepared to express an opinion on that.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker.

So I'd like to ask Mr. Levert, when it comes to acceptance of the Premier's negotiation strategy that you were tasked to oversee, you accept that the IRC report was informed by individuals, yet the Premier did not inform you and is not aware of who those stakeholders are?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, the Oversight Committee's mandate was not to look behind –

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

I only want to hear Mr. Levert.

Mr. Levert, I apologize, can you continue?

D. LEVERT: Speaker, the Oversight Committee's mandate was not to look behind the strategy. It was to look at whether or not the conduct of the negotiations was reasonable and within the negotiation strategy in accordance with that strategy. We were not given the mandate to opine on the background behind the strategy. That was set by government, which we accepted.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker.

Speaker, I would like to ask Mr. Levert if any part of his role was to determine if Newfoundland and Labrador got the best deal possible by any metric other than the Premier's stated strategy?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, our mandate was clear: monitor the negotiations and determine whether or not they were being conducted reasonably and in accordance with the negotiation strategy – period.

SPEAKER: The hon. the Member for Gander.

B. FORD: Speaker, I would like to ask Mr. Levert, did he review the DCIA before it was signed?

SPEAKER: Mr. Levert.

D. LEVERT: Yes, the Oversight Committee had an opportunity to review the DCIA before it was executed.

SPEAKER: The hon. the Member for Gander.

B. FORD: Speaker, thank you.

I would like to ask Mr. Levert in his role as chair of the Oversight Committee, does he expect that he will be asked to review final agreements before they are signed?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, our role ended once the DCIA was executed.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you.

Speaker, I would like to ask Mr. Levert, are you and committee members bound by non-

disclosure agreements with the government?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, yes, we are.

SPEAKER: The hon. the Member for Gander.

B. FORD: Thank you, Speaker. Thank you, Mr. Levert.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

Mr. Levert, do you feel that you and the Oversight Committee had a full understanding of the negotiation process?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, yes, we did. We were very aware of the entire process, every step of the way.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Mr. Speaker.

Overall, how would you describe the oversight team's openness with the committee?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

I think everyone has had an opportunity to see the negotiating team. It was obvious to me, right from the very beginning, that Mr. Perry was very open, very candid, very credible and was going to be a real asset to the negotiating team. Mr. Kennedy is extremely direct and to the point and also very credible. Jennifer Williams has the

corporate knowledge; she has the most extensive knowledge of anyone, probably, on the planet on this matter, so she was also a real asset to the team.

But in terms of their approach with us, in every session, it was clear that they were giving us all of the information. As Mr. Perry indicated, I believe, on Monday, we asked tough questions and we got very clear answers. Anything that they couldn't respond to immediately, they followed up with – they or their staff.

I also have to mention their support group from Newfoundland and Labrador Hydro, very knowledgeable and very helpful.

SPEAKER: Minister, again, I would just ask to try to phrase the questions and direct them to the Chair. Saying Mr. Speaker first in itself does not do that. Try not to have a conversation back and forth, but through the Chair.

H. CONWAY OTTENHEIMER: Okay, thank you.

Did any minister or official ever tell you what the committee should conclude?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, no.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: If government needed to address a change, what process was in place? What process did it have to follow?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, it became clear in a couple of instances where the negotiations were straying a little bit to the borders or outside the borders of the negotiation strategy and, in those cases, it was clear to us; it was clear to the negotiating team.

Fortunately, the negotiating team was very aware of the limits of their authority and knew when to circle back to the government for further instructions.

SPEAKER: The hon. the Minister of – oh, sorry.

Mr. Levert.

D. LEVERT: Sorry, I don't think I completely answered the question, Mr. Speaker.

SPEAKER: Okay, go ahead.

D. LEVERT: At no time was the Oversight Committee directed or were any suggestions made as to any conclusions. We were never influenced by anyone in any way.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

Some might say that a committee named by government cannot be independent. Mr. Levert, what is your answer to that concern?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, the people on the committee that are chosen by the government or anybody are presumed to have integrity and act in a principled and ethical manner. I would assume that the government, in looking at the backgrounds of the individuals on the committee, would have assessed that and determined for themselves that they could rely on these people being independent and upholding the highest principles.

SPEAKER: I just want to, once again, remind the minister, I understand the rules are somewhat awkward, I never made them; but if you're asking a question, instead of saying Mr. Levert, why did you do something, would be Mr. Speaker, could Mr. Levert tell us why he did something. That's

what the rules say so I would ask you to try to stick to that process.

Thank you.

The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Mr. Speaker, was there a written negotiation strategy before the talks started?

SPEAKER: Mr. Levert.

D. LEVERT: Yes, Mr. Speaker. That was the road map that was followed by the negotiating team upon which we assessed the conduct of negotiations.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Was the strategy comprehensive?

SPEAKER: Mr. Levert.

D. LEVERT: Yes, Speaker, in our view, the negotiation strategy was clear and comprehensive and recognized the dynamics that take place during negotiations.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Did the committee have the resources needed to do your work?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, yes, right from the very start, the clerk made it clear that we could have whatever we needed. We certainly had everything that we thought was necessary for our mandate.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Did the committee agree with a specific mandate and goals with government?

SPEAKER: Mr. Levert.

D. LEVERT: We were given a mandate. We were satisfied with it and proceeded accordingly, Speaker.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

How did the committee report to government on progress?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, as I indicated earlier, we submitted written reports to the clerk of the Executive Council after each briefing with the negotiating team to apprise her of the status of negotiations and to express our view that they were being conducted in accordance with the negotiation strategy.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Was this done regularly?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, it was done regularly throughout the period from June 5 to August 14.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: I'm going to just move to the IRC recommendations, specifically Recommendation 1. It asked government to decide how much power to keep for growth and how much to sell. Was that decided before the talks?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, the negotiating team had data from the government on its assessment of the power needs for Labrador, I believe, at the beginning or very early on in the negotiations.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER:

Recommendation 3 called for respectful work with Indigenous communities. Did the committee hear how the team engaged the Innu Nation?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, that was a subject of discussion at every single meeting. The negotiating team kept us fully informed as to the communications between the government, their committee and others, with the representatives and legal representatives of the Indigenous people involved.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER:

Recommendation 4 asked for a close look at other ownership models for Gull Island. Did the committee see that work?

SPEAKER: Mr. Levert.

D. LEVERT: Yes, Speaker, during the negotiations, work had been done previously by Stikeman Elliott, a law firm from Montreal, on the appropriate vehicle for development of the Gull Island project, as to whether or not a joint venture was the appropriate vehicle. That question was put to Gowlings, another major law firm in the country with expertise in this area. The conclusion from Gowlings was the same as had been received by Stikeman Elliott. Yes, we were certainly advised of that element.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Were you satisfied the other models were fairly tested before the joint venture model was kept?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, yes, we were.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

Just moving to the negotiation strategy, I'd like to ask, what were the main goals in that strategy?

SPEAKER: Mr. Levert.

D. LEVERT: I think Mr. Perry mentioned during his questioning that the Premier's three priorities were a helpful guide in interpreting the strategy: more power, more value, more transmission. So those themes certainly are reflected in the strategy, as well as relations with Indigenous communities is stressed. As I say, those three benchmarks were certainly followed, kept in mind.

I must say that Mr. Kennedy made certain during the negotiations – it was clear to us from our briefings – that the strategy was adhered to, each element and that's how they progressed.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: So we know what the benchmarks were, you've identified that, and the goals. So how did the committee track the team against each goal?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, we actually kept a table of where each issue was at in the negotiations. As they progressed, each column in the table was completed to look

at how things had advanced or not, and again we reported that progress to the clerk of the Executive Council.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

Was the strategy changed during the talks at any time?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, there were two amendments; one dealing with the governance with respect to Gull Island, and the other – as I say, there were two amendments. Those were the only amendments.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

Why was it changed each time, if you could just tell us that, and who approved each change, please?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, the changes were made by government and issued to the negotiating team. We were of course copied on that. The changes were made as, I think, negotiations progressed. They saw there was a need to address an issue that perhaps had not been previously covered or had not been covered previously in the negotiation strategy.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Did the committee ever formally sign off or report that the final deal complied with the strategy?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, we did file a final report with the clerk of the Executive Council to that effect, yes.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

Some say 10 weeks from your appointment to the DCIA was too fast. Did the committee have enough time?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, in terms of our being able to assess the conduct of the negotiations and determine whether or not they were reasonable and complied with the negotiation strategy, yes, we had sufficient time.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: So will your committee keep overseeing through to the final binding agreements?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, as I indicated a little earlier to date, our mandate ended essentially following the execution of the DCIA.

SPEAKER: Okay, the minister's time has expired.

The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Speaker.

I say welcome to Mr. Levert. Thanks for being here. There's a lot of clarity in your answers, so it's much appreciated.

I'm just going to follow up, Mr. Speaker, with some of the answers that were already given. Particularly, I'll go back to the

strategy that was adopted or referred to the Oversight Committee.

I think Mr. Levert was very clear in that that was a written directive and strategy and he was comfortable with that strategy, and if he can confirm that the Oversight Committee worked with that strategy, essentially, in its role to make sure the strategy matched up with what we see now in the DCIA. Is that correct?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, that is correct.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

Mr. Speaker, I'd ask Mr. Levert to comment on whether the strategy referred to the Independent Review Committee, in particular, the recommendations and the mandate in the Independent Review Committee?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

No, it did not.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: So, I would ask, Mr. Speaker, then I think you would agree with this that the DCIA complies with the strategy. Is that correct?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

Yes, it does.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Mr. Speaker.

It was not the role of the Oversight Committee to determine if it complied with the IRC mandate. Is that correct?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, that is correct.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: I wonder if you have any comment, because the only public document that the public would have would be the mandate. So all we can balance the DCIA against is what's public, which is the IRC.

We'll go through some questions about whether all the recommendations or how many recommendations have been met, but does the Oversight Committee have any comment about the fact that public can only measure the success of the DCIA versus the only benchmark that the public has, which the Premier has publicly said is the framework for the deal, which is the IRC recommendations?

SPEAKER: Mr. Levert.

D. LEVERT: Sorry, Speaker, I'm not sure I understand the question.

SPEAKER: The hon. the Leader of the Official Opposition, can you repeat or rephrase?

J. HOGAN: Do you have any concern that the public only has the ability to measure the DCIA versus the IRC?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

In fact, if you're suggesting that the negotiation strategy be made public, I would advise against that. I can guarantee that

Hydro-Québec is watching these proceedings. There's probably a briefing given to the CEO every evening. To divulge that information now prior to the execution of the definitive agreements would be against my advice.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: For the record, I'm not hypocritical. I totally agree that the strategy should not be negotiated or revealed in public. I would say that certain Members on the opposite side when they sat over here did actually ask for negotiations to take place in public. But I don't flip-flop.

Speaker, Mr. Levert did say that the DCIA complies – and this is the quote from Mr. Levert – to the extent it could with the IRC. Speaker, I ask Mr. Levert if he can comment on who determined that it was complying to the extent that it could.

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, if you're asking me whether or not the negotiation strategy complied with the IRC report, we were not involved in the drafting of the negotiation strategy. My understanding is – and certainly learned this from the negotiating team on Monday, I believe – that the IRC report certainly formed the framework for the negotiation strategy, but our mandate was not to look behind the strategy or determine whether or not it was consistent with the IRC report. We learned that from the negotiating team.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Speaker.

The words that you used, that the DCIA complied to the extent that it could. Those are the words of Mr. Levert. So can you comment on did the Oversight Committee, at all, look at the IRC to determine that it

was complying with the DCIA to the extent that it could? Those are the words of Mr. Levert.

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, if that was the way my words were interpreted, then I either misspoke or the interpretation is incorrect. We did not, as I said, look at the negotiation strategy and compare it to the IRC report to any extent. The negotiation strategy, as far as the Oversight Committee was concerned, stood on its own and we were to measure the negotiations that were being conducted against that strategy, not the IRC report.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

That provides clarity and those words, if I misunderstood them, and your earlier evidence was very clear that it was the role of the committee to follow the strategy as opposed to the IRC.

D. LEVERT: Mr. Speaker, I apologize if that what is what I said the (inaudible).

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

Mr. Levert, earlier, also said that there were two amendments to the strategy. One related to Gull Island governance and didn't say what the second one was. So I wonder, Mr. Speaker, if he could advise the House what the second amendment was related to.

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, I'm sorry but that is commercially sensitive.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

I'll respect that.

Mr. Speaker, I wonder if Mr. Levert could, to the extent that he can, advise the House when those amendments were made?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, as I recall, they were made, I would say, late June during the negotiations.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Just to confirm, were they both at the same time, Mr. Speaker?

SPEAKER: Mr. Levert.

D. LEVERT: They were close together.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Mr. Speaker.

Just to provide some clarity, I think you may have said they were added at one point and then said amended. So were they added? Were they new pieces of the negotiation strategy or were they amendments to the existing negotiation strategy?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

Yes, they were amendments to the existing strategy.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: I wonder, Mr. Speaker, because we'll never know what the strategy was nor should we and that's fine – the public might be left now wondering if those amendments were made to meet where the negotiations

were going. Is that something you would care to comment on?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

No, actually, I can say that the amendments were made to address something that had not been addressed previously.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you for that answer.

I'll just go through some of the recommendations from the IRC, some that the Minister of Justice actually asked you about, so that should shorten up my questions a little bit.

Recommendation 1 says GNL – Government of Newfoundland and Labrador – should analyze long-run economic development options, including whether the Churchill River should provide financial or economic value to the province. The IRC wanted the province to analyze other options to determine how much power we should seek for economic development versus how much power we should sell.

Are you aware if this strategic work was completed – sorry, Mr. Speaker, was Mr. Levert aware?

SPEAKER: I appreciate that.

Mr. Levert.

D. LEVERT: Speaker, I am aware that the work took place.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Mr. Speaker.

I wonder if Mr. Levert could advise if he knows who did this work and whether it can be made public.

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, as I understand it, it was a department in the government.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Speaker, can it be made public?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, that is for the government to decide.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Fair enough.

Speaker, I wonder if Mr. Levert can tell us if the amount of allocated power that is in the DCIA is in line with that strategic work? Would you confirm?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, as I recall, the negotiations were certainly headed in that direction so that they could satisfy the requirements that were indicated in the report by the government would be met. So the initial proposal, the ask for the power was X. At the end of the day, of course, not everything was obtained but I believe that the negotiating team was satisfied and obviously the government was satisfied with the power that was obtained from the negotiations.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Mr. Speaker.

Recommendation 3, which the Minister of Justice did ask you about and you can comment again if you want further about Newfoundland and Labrador should build respectful relationships with and consult with Indigenous communities in connection with future developments on the Churchill River in Labrador. I think the note I have here was what Mr. Levert said is this was discussed at every single meeting, which is very good to hear.

But I will say that recently the Grand Chief of Innu Nation posted on Facebook that I've told them that their deadline of December 31 for the new MOU finalization will not be met by the Innu. They have to transfer our IBA to Hydro-Québec and that won't happen without us.

It is really good to hear that this was discussed with the Oversight Committee at every meeting, but I wonder if Mr. Levert could comment on essentially what broke down or why the Grand Chief certainly has issues with where everything stands today.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

I don't have anything more to add than what I said previously. We knew that there were discussions going on and that was all the information that we had. We did not meet or speak to the Indigenous communities ourselves. That was information that we received from the negotiating team and their advisors.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you for that answer.

Speaker, Recommendation 4 says Newfoundland and Labrador should rigorously evaluate alternative ownership, operating, and right-of-use models for Gull Island. Again, the Minister of Justice beat me to it and asked some questions. So just

for some clarity, Mr. Levert, it said that work had been done previously on this, in particular, obviously, the ownership model and the joint venture proposal.

Does Mr. Levert know when the work had been done previously by Stikeman?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Mr. Speaker.

I cannot recall but I can say that it was before the negotiations began.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Mr. Speaker, I wonder if Mr. Levert can comment on whether the IRC had that work.

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, I don't know.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Mr. Speaker, I know what the answer is going to be, but I guess Mr. Levert wouldn't be able to comment on who requested that work from Stikeman, would he?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, thank you.

I don't know.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

Speaker, Recommendation 5 says NL should prepare for future negotiations by preparing a fully articulated negotiation strategy and best-practice governance process. The invited guest has talked

thoroughly already this morning about his acceptance of the negotiation strategy and that he was satisfied with it.

Just a question about the recommendation for an independent governing body of industry experts appropriately resourced and compensated. I wonder if Mr. Levert could confirm whether this was done to his reasonable standard.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

Yes, it was.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Speaker, could Mr. Levert provide the list of the governing body and who was on it?

SPEAKER: Mr. Levert.

D. LEVERT: As I indicated in my introduction, it was myself, Julia Mullaley and Mike Jardine.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Mr. Speaker.

The Oversight Committee didn't have access to any other experts to provide advice, such as experts on hydroelectricity, on financing, on legal issues. Is that correct?

SPEAKER: Mr. Levert.

D. LEVERT: We chose not to avail, ourselves, of those consultants. We felt that, with our experience and expertise, we were capable of interpreting this information ourselves. We also relied on the information that was provided by the negotiating team and their advisors.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Mr. Speaker.

Can Mr. Levert advise, of the three individuals that were on the Oversight Committee, who had expertise in energy pricing in markets throughout North America?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

No, we did not have that expertise. As I said, we relied on the information that was obtained through the negotiating team.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

So, to confirm, there was no independent expert advice given to the Oversight Committee during the course of their work. Is that correct?

SPEAKER: Mr. Levert.

D. LEVERT: It's correct, insofar as financial advisors or power advisors, we did not have anyone independent. We did have the assistance of Dr. Geoff Hollett, who is sitting behind me, who was involved with the independent oversight panel in 2025 and then assisted the IRC with its report and drafting the report this spring.

SPEAKER: The Member's time has expired.

Moving on to the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Mr. Levert, you are a lawyer and an engineer, can you tell me if you are bound

by any governing rules as a result of being affiliated to those two professions?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

Oh yes, both.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Do you feel at any time that your affiliation with this board would have compromised those professional affiliations?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, thank you.

No.

SPEAKER: To the hon. minister, again, question to the Chair. So not: Do you. You would say: Mr. Speaker, can Mr. Levert tell us – or something like that. Those are the rules.

The hon. the Minister of Energy and Mines.

L. PARROTT: Mr. Speaker, can Mr. Levert tell us if his affiliations and his professional experience has set him up to take on a role such as this?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, if I may, the format that was followed here was not dissimilar through the approach that is taken by the Kiewit Corporation. In every significant negotiation in a company, the approach is consistent. You have the manager in the company where the work is going to be taking place, partnered with a lawyer in the firm, in-house counsel, and that team gets its instructions from executive management and the negotiations process on that basis. When it inevitably happens that you reach an impasse in a negotiation, then the team

goes back to the executive for further instructions. I also supervised a team of lawyers in the country who did the same thing with their managers.

The presence of a lawyer on a negotiating team in the company is there for two reasons: one, to provide legal services, the helping with drafting contracts, et cetera, but, more importantly, it's an oversight role where, if things start to go awry, if the manager starts to diver too far from the instructions received from executive management or they are acting outside company policy, then it would be my role, my responsibilities, to contact the general counsel of the company. The general counsel would then walk down the hallway to the CEO's office and not long afterward we would receive new instructions.

So the role of Oversight Committee here, in this case, I found was a parallel to that and it was a good structure to follow.

SPEAKER: The hon. the Member for Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Mr. Levert indicated earlier how vast his experience is. Can he indicate how this has helped him prepare to take on this role as chair of the oversight panel?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

The role is well-suited to my background. As I just said, as a lawyer who had oversight over negotiations for the country, we came across many, many situations where the instructions had to be carefully understood and whenever they had to be diverted, a chain had to be followed back to senior people in the company to proceed; otherwise jobs were on the line, people's livelihood was at stake.

In this case, we had a clear mandate in a negotiation strategy, in terms of assessing whether or not the negotiating team was conducting negotiations in accordance with that strategy and whether or not they were reasonable.

We received the information, had the progress of the negotiations and then reported back to the clerk of the Executive Council, who then would have had access to the Cabinet to take action where necessary.

We were very much the canary in the cage. We would be able to respond quickly and, through the reporting structure, ensure that steps were taken to control the negotiating team if they went off track.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Mr. Speaker, Mr. Levert also stated that he had experience with projects carried out by Hydro-Québec. Can he indicate how this experience with previous work with Hydro-Québec prepared him for this role?

SPEAKER: Mr. Levert.

D. LEVERT: Yes, Kiewit does a great deal of hydro work. During my tenure with the company, since 1979, we've built many other projects in James Bay, La Romaine, et cetera, in Quebec. I can say that of all of the owners that I have had contact with in the country, right across the country, Hydro-Québec is probably one of the toughest. They are a huge, huge organization revered by all Quebecers and generally get to call the shots whenever you're building a project.

I tip my hat to the negotiating team to have been able to deal with Hydro-Québec. It certainly wouldn't have been an easy task, but, yes, I can say that Hydro-Québec is a very sophisticated and tough owner.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Mr. Speaker, I would assume that given Mr. Levert's vast history and experience in industry that he is not only an engineer and a lawyer, and I believe an accomplished author, I think that he would probably would have had a history in negotiations. Would it be fair to say that he's had some time in negotiations?

SPEAKER: Mr. Levert.

D. LEVERT: Yes, Speaker, I certainly have experience in negotiations.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Mr. Speaker, Mr. Levert's experience in negotiations, based on his previous experience as a negotiator, would he indicate that the information provided to him for his oversight role from government and the negotiating committee met his requirements, and was he ever told, no, he couldn't have access to anything?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, in terms of information, nothing was denied us by the negotiating team or their advisors. The clerk of the Executive Council was very supportive, did not interfere in any way and made sure that we had the resources that we needed.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

In his role from oversight and taking into account the previous roles that he's had as an engineer and a lawyer – the Member across the way indicated that the only way to measure success or the negotiation

process, was against the report from the IRC. But I would argue that not only would the report from the IRC come into account, but would Mr. Levert think that it could also be measured against the previous MOU?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, we were not asked to measure these negotiations against what was obtained in the MOU. That was not part of our mandate.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Mr. Speaker, did Mr. Levert ever have reason to question the integrity of the info that was provided to the committee?

SPEAKER: Mr. Levert.

D. LEVERT: Speaker, we never had any reason to doubt any information that was given to us. We were comfortable with what we received and did not need to look behind it.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

I just want to go back to the first line of questioning from the Opposition earlier today. There was a line of questioning associated with the IRC directed at you. I would like to understand if Mr. Levert was a member of the IRC or if he was a member of the Oversight Committee, for clarity.

SPEAKER: Mr. Levert.

D. LEVERT: I was a chair of the Oversight Committee for these negotiations, Mr. Speaker.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Mr. Levert has indicated his background, he has talked about the members on his team, and I would think that every one of them have had some kind of a history in, not only oversight, but in negotiations. There were some questions asked around the amendments that were made, what was presented to you at the beginning, but from your experience in oversight and negotiations, would you say it is a fair statement that during a negotiation process that all things change? You go in looking for more than you ever walk out with, therefore, the recommendations that were made by the IRC and other things that the negotiation panel would have had as a benchmark, obviously, would have been a full part of the negotiations.

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, in any negotiation there is a give and take, you walk in with a list of demands. I think we heard from Mr. Perry, he presented that list to Hydro-Québec initially and certainly at the end of the day you don't get all that you ask for.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Mr. Levert has indicated that he has worked right across the country and certainly North America, by the sounds of it, from a contractual standpoint. What you have experienced here as the chair of oversight, would you weigh in on if you thought you were impeded in any way by government or by the negotiating committee.

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, we were not impeded by anyone in performing our role as the Oversight Committee.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Mr. Levert indicated that they met 12 times, that they would regularly meet on Thursdays, they had their own internal meetings, and he went through a bunch of different things that he said were carried out during those meetings and the conversations they had.

Mr. Levert, at any time, did you feel that you needed to have more meetings or were you ever refused a meeting? At any time, had you ever requested information that wasn't provided?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

No, we were never denied any information. In terms of requesting more meetings, we never felt a need to request a meeting. In fact, as chair of the Oversight Committee, I had access to the chair of the negotiating team. We did converse several times on the phone to bring me up to date as soon as possible as to what was happening with the negotiations. So we were fully informed.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Mr. Speaker, Mr. Levert in his opening remarks, talked about Mr. Jardine, Ms. Mullaley and himself, their vast background. I would indicate myself, having seen their résumés and listening to Mr. Levert talk, that all three are professionals, I would argue, in their own right. So we have accountants and engineers and lawyers all on one team. He indicated that they didn't feel the reason to go out for outside information.

Mr. Levert, is it your opinion that this Oversight Committee would have been staffed by, what I would argue, are three of

the most capable people that were available?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, I can certainly say that my two colleagues have excellent qualifications and well-suited to the role, because of my experience, perhaps I added value.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Mr. Levert indicated that he has received all the information he required from government, all the information he required from the negotiating team and any question he had was asked. I'd just like for him, in finishing up this little session, to give us a brief overview of how he felt this role played out, if he thought it was integral and key to these negotiations and if it met the mandate that he was given to start.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

In terms of an overall assessment of the structure and how we inserted into the process, as I said, I think we were in a comparable situation with the lawyer in the Kiewit organization being involved in the negotiations playing an oversight role, as well as providing legal services.

In this case, you had a very good negotiating team. Barry and his colleagues were extremely open. There was never any suspicion that anything was being hidden from the Oversight Committee and we knew as well that they would bring that to any communications they had with the Cabinet. We felt that that was so important that we know what's going on. We had to know what was going on, and we were kept extremely well-informed.

There's technicalities present here, obviously, with the numbers, et cetera, so to the extent that we needed explanations, we received them from their advisors. We were completely aware of what was going on. To structure a situation like this with separate reporting structures: they reported to the Cabinet; we reported to the clerk, they could not influence in any way what we were sending to the clerk. They never made a suggestion as to what we should say. We were always very independent.

The clerk, for her part, did not ask us to structure our reports in any particular way. We maintained our independence throughout. Otherwise, I don't think either myself or my colleagues would have continued on the committee. If that had been present in any way, I would not be sitting here today.

SPEAKER: Thank you.

The minister's time has expired.

The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Mr. Speaker.

Let's go back to where I finished off my last set of questions. I asked Mr. Levert about, for lack of a better word, the Oversight Committee retaining external and independent experts, independent of the experts that were giving advice to either the Government of Newfoundland and Labrador and/or Newfoundland and Labrador Hydro. I think the words he said that they chose not to retain anyone to advise directly and independently the Oversight Committee.

So I wonder if Mr. Levert could comment on was there a discussion about retaining their own independent experts and how they came to the conclusion to choose not to.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

We did discuss it initially, when we first met. We decided that we would rely on the reputation of the consultants that had been retained by the negotiating team or who were advising the negotiating team and assess that information against our own expertise and experience.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Mr. Levert previously said there was no one on the Oversight Committee with expertise in hydroelectricity pricing in external markets in North America. So if you were comparing, for example, the advice of Power Advisory to your own level of expertise, I think that would give the public some questions there.

Would not it have been better for Mr. Levert to retain someone with the same expertise as Power Advisory with which to gauge their opinion against?

SPEAKER: Mr. Levert.

D. LEVERT: Mr. Speaker, thank you.

We decided not to do that.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

You obviously thought it wasn't better to do that, then, if you decided not to. On what basis did the three of you decide that that information wouldn't have been helpful to the Oversight Committee? Keeping in mind, of course, you said you were given the opportunity and you were never said no to when anything was asked on behalf of the committee from government.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

As I said, we discussed it. We were of the view that the experts that had been retained – Power Advisory, J.P. Morgan – would provide reliable, accurate information. Their reputation, we know, is very important to them. In the context that we were dealing, we felt that it was not necessary to have a check on those numbers.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you very much.

We've heard from those experts yesterday, and I think they are top-notch individuals and top-notch experience and top-notch in terms of their credibility, but we also heard – and in fact, Mr. Perry uses this a lot when he speaks, he says, in my opinion.

So if someone has one opinion, obviously someone can have another. With your legal background – of course, lawyers get paid to give opinions and they don't always match up, which is a lot of times why we end up in court – didn't the Oversight Committee, when they had those discussions, recognize that the opinions of J.P. Morgan and/or Power Advisory and/or anyone else, there could be alternative opinions out there which would have been different than the views that were being given directly to the government?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

As I said, in our view it was not necessary to have another set of advisors looking at all the information and giving us their opinions. We felt that we would be well-advised, well-informed by the information being provided by the experts to the negotiating team. In the context of the negotiations, I believe that was the right thing to do.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Speaker.

I wonder if Mr. Levert could answer that one might see, without having at least asked someone for an alternative opinion, which may have been the same as the advice they were given, the role of the Oversight Committee was then simply to adopt the expert options that already existed, which there was one version and one opinion.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

We didn't simply adopt them, we questioned the information that was given, we fully understood it, we understood how it worked, based on our experience and expertise. That was all we needed.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: I appreciate that questions were asked, but just to confirm, they weren't asked by anyone with expertise. Again, I use this example because I think it's the most importation one, they weren't asked by anyone with expertise in pricing hydroelectricity markets throughout North America. Is that correct?

SPEAKER: Mr. Levert.

D. LEVERT: They were asked by an accountant, an engineer and an engineer lawyer.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Speaker, I'll turn to some issues now about export market pricing and exposure.

The Independent Review Committee suggested full market value for Churchill power could be realized if NL – sorry, I'm actually going to move on to a different issue, Speaker. I apologize to the guest.

Market-based pricing – I'm sure the invited guest, Mr. Levert, is familiar that the IRC criticized the complicated block formula for Churchill Falls including its reliance on export markets and domestic markets in Quebec as well as replacement costs.

I wonder if he could tell us about the discussions that were had by the Oversight Committee about the fact that this was dropped for the reason that it was too complicated.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

In terms of it being dropped, I don't recall the discussion of it being too complicated. As I recall, this was a result of the negotiations, the give and take of the negotiations.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

You would only know what you were told. We were certainly told in the House of Assembly that it was dropped because it was too complicated. You're saying it was dropped in the course of negotiations. So it is fair to say then that Newfoundland and Labrador dropped that? As you would normally in negotiations, if you drop something, you would pick something up on the other end of those negotiations. Is that fair to say?

SPEAKER: Mr. Levert.

D. LEVERT: Yes, that is in fact, I believe, what took place.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Mr. Speaker.

So in exchange for Newfoundland and Labrador dropping market-based pricing, can you advise Newfoundlanders and Labradorians what we gaining in exchange for dropping market-based pricing?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

I think that's a question that would be better put to the negotiating team this evening.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Mr. Speaker.

The Review Committee also recommended separating the Churchill Falls upgrades from the negotiations. The \$4.8-billion expansion remains part of the deal. So I wonder if Mr. Levert could provide any insight about why that recommendation wasn't followed.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

I believe it was halfway through the negotiations when it was realized that there were a lot of technical issues arising from the Churchill Falls expansion, so I think it was on that basis that the parties decided that they would deal with that later.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Speaker.

The IRC was very critical, as was the Opposition of the day, about a 50-year deal, and recommended not to do a 50-year deal. I wonder if Mr. Levert could comment about the fact that we do have a 50-year PPA specifically with Gull Island, despite what was recommended by the IRC.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

In terms of the details of the agreement and how various aspects were arrived at or agreed upon, I would defer that to the negotiating team.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you very much.

I very much appreciate the opportunity this morning to speak to Mr. Levert. I will say that it sounded like it was being implied from the minister that we were questioning him and the members of the Oversight Committee and their credibility, but just for the record, we do not. We're just questioning the process, what information you had, what information you had requested, the mandate and how it all falls into place with regard to the strategy and the Independent Review Committee.

Thank you very much.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

I would like to see if Mr. Levert could tell us, first of all, when you took on this role, what was the biggest risk to get it right? What did you see at the biggest risk to get this right? What were some of your concerns about that?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

I don't know if I'm getting the full understanding of the question, but in terms of a risk for our role in providing proper oversight, the biggest risk would've been lack of information from the negotiating team that we were not kept fully informed of what was being discussed with Hydro-

Québec and didn't have a full picture of what was going on. So that, to me, would have been the biggest risk and that never realized.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

Can Mr. Levert expand on that? We are trying to understand how the committee approached its work here. So when you had to, for example, make a decision, was that decision made on consensus or by vote?

I am just trying to see the workings of the committee and how you approached your role.

SPEAKER: Mr. Levert.

D. LEVERT: Yes, the committee met generally before each session with the negotiating team and afterwards. As I said, we then prepared a report that we submitted to the clerk of the Executive Council and we would discuss what it was that we would be including in that report. We were always able to reach a consensus.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

I think it's important that we see and we get at the heart of how oversight actually matters here. I'd like to see what Mr. Levert has to say about whether the committee ever raised a concern that changed what the team did next. Was that something that happened at all?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

As I said initially, the negotiating team is very sophisticated and knew when they were reaching the limits of their authority and when to circle back for further instructions. There was never a situation where we would have to say to them, I think you need to go back and speak to the government. We never were faced with that situation.

It was obvious to them, obvious to us, that this is an issue that you need to discuss with the Cabinet before you are able to continue with Hydro-Québec.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

So can Mr. Levert tell us how exactly did you keep the committee's discussions confidential? We all understand the importance of having confidentiality with respect to the role you played.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

Of course, all of the meetings were confidential; minutes were kept of the meetings. They were used for preparation of our reports to the clerk. The reports, the minutes were all privileged, confidential. We worked through the government email system and maintained confidentiality in that way.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

Also, Mr. Levert, can you just comment on this for us, because we know we've heard from the Opposition Members in questioning this morning, suggestions, inferences that the negotiation strategy be made public.

You indicated, of course, that that would be against your advice.

Can you just elaborate on why that is so important, despite the questions from the Leader of the Opposition inferring that you answer those questions in terms of public having that information?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

The negotiation strategy is comparable to the instructions that a team would receive within our company before a negotiation takes place. It's the game plan. You wouldn't want to give the other side your game plan.

It would certainly simply not be advisable from a negotiation perspective to tell the other side what it is that you're aiming to get.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

Mr. Levert, can you also tell us with respect to the fact that you did not seek other legal expertise or other expertise on these matters. We see now this morning in terms of your expertise that you bring to the Oversight Committee. We know that the experts J.P. Morgan, Power Advisory were there; they were providing information to the negotiating team. You did not feel it was necessary to have another set of advisors. You stated that you were well-advised, well-informed and very comfortable with that.

Can you maybe explain to us about the other two committee members and their expertise that they brought also to this committee as well, please?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

Yes, as I read the bios for each of Julia Mullaley and Mike Jardine, an accountant, an engineer. An engineer in the power industry, 28 years with Newfoundland Power. Mullaley, Auditor General, an accounting background. My experience, my engineering and legal abilities. We were confident that the information that was being provided to the negotiating team by these professional, highly regarded organizations could be relied on for our purposes for this oversight role.

So we didn't feel it was necessary to bring on another set of advisors, independent from what was being given to the negotiating team.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

With respect to the framework, I know you mentioned earlier that the structure, there was a clear mandate, you were comfortable with the structure of the oversight model that was in place. Can you just expand upon that too, as well?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

Yes, as I said, I think the structure worked very well. We were not just a checkmark on a list, it was clear. We were there to provide real oversight. None of us are shy; we would have spoken up if we thought that anything was untoward or if they were straying too far without getting further instructions. We would have immediately reported that to the clerk: you need to get involved here, this is not going as intended, et cetera. That never happened, fortunately.

But having the Oversight Committee, I think gives the process credibility, to the extent

that there was credibility on the part of the Oversight Committee.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

Can Mr. Levert also comment on the fact that when we heard from the negotiating team in this House of Assembly about the role that you played and that members of your team brought very tough questions with full credibility and challenged the negotiating team on different things. So can you just expand on that please, because you indicated that neither of the members were shy? So is that something you feel was an important part of your role?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

Yes, very much so. Mr. Perry was always very open with his explanations as to where things were. Jennifer Williams dealt more with the technical aspects of the file. When we would be briefed, there would obviously be very pointed questions as what's next. Now that you have their position, what is your plan going forward? How is that going to fit within your mandate and the strategy? Explain that to us. Where are you going with this? Where is Hydro-Québec coming from? Where do you think you are going to end up? Is it going to be necessary for you to go to the government and say we hit a wall, we can't continue, so we need further instructions?

So that, I think, was an ideal process and we were not, in any way, prevented or – and, also, we had no fear of consequence for our role here. We were completely independent and if we challenged them, if the clerk wasn't happy with us, we had no fear of consequence.

We were free to perform our role and that was to monitor and then assess whether it was reasonable and whether it complied with the strategy.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

Just getting to the concept of reasonableness. As lawyers, we have all heard about that principle of reasonableness. So you have just mentioned that you, as a committee, assessed reasonableness. How did you actually do that? That's kind of an eerie faerie concept that often eludes lawyers.

Can you just perhaps explain how you did assess that reasonable, what was that standard?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

That is not difficult. If someone comes to you with a suggestion – forget about the negotiation strategy for a moment, what you are saying just doesn't make sense, it is not in keeping with the process here. It is a fairly easy concept in my view. Negotiators can sometimes be unreasonable and we were there to point it out: the king has no clothes; you are not acting reasonably here, never mind not being consistent with the negotiation strategy.

Again, that was something that the three of us were fairly capable of doing. You didn't need a law degree for that.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

In conclusion, I'd like ask Mr. Levert if he could tell us whether the public can feel

confident in the work that your Oversight Committee has done?

SPEAKER: Mr. Levert.

D. LEVERT: You really rely on the individuals; you set up a structure. You can set up all the structures that you like, but it all comes down to the individuals that are within that organization on the committee. You have to assess whether or not those people are going to be ethical and have integrity and abide by the mandate you gave them.

Those are the criteria. I believe that we fulfilled that role. I think that the public and this House should be confident that there was real oversight. You have a negotiating team that was given authority to negotiate a tough contract with a tough owner and the oversight was there to make sure that the negotiation strategy was followed and, at any time, if they were outside that strategy, they received instruction from the Cabinet.

SPEAKER: The minister's time has expired.

The hon. the Member for Mount Scio.

S. STOODLEY: Thank you very much, Speaker, and thank you to Mr. Levert for being here today.

I believe I heard earlier in response to a question from the Minister of Justice that Mr. Levert said the independent committee said the biggest risk was the lack of information from the negotiating team. I'm just wondering if the Speaker could confirm that please, if I heard that correctly?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

We would not have been able to play that role properly if we were not fully briefed. That was the biggest risk.

SPEAKER: The hon. the Member for Mount Scio.

S. STOODLEY: Thank you very much for clarifying that.

I'm wondering if the committee chair could tell us how they navigated that risk and whether they did, I guess, get as much information as they needed.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

As I said, we met with the negotiating team on 12 separate occasions between June 5 and August 14. Each of the meetings lasted between two and three hours. Generally, I chaired the meetings. Mr. Perry and his team would report on where negotiations were at with Hydro-Québec. We would ask questions. There would be discussions in terms of what had been happening and then how they intended to proceed going forward. They answered to all of our questions, to the extent that anything was technical or they needed to get back to us, they always did. So we felt that we were fully briefed.

SPEAKER: The hon. the Member for Mount Scio.

S. STOODLEY: Thank you very much.

I'm wondering if the chair could tell us if there were any material issues where the Oversight Committee disagreed with the negotiating team.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

No, there were no issues that arose where there was a disagreement. As I said, the negotiating team was a very sophisticated group. They were certainly aware of the limits of their authority and knew when to

seek further instructions from the government.

SPEAKER: The hon. the Member for Mount Scio.

S. STOODLEY: Thank you very much.

My apologies if this has already been covered. Can you elaborate or expand on the fact of whether or not you sought independent advice and the decisions that the committee took, whether to seek or to not seek independent advice on any of the issues, please?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

As I indicated, we discussed it at the beginning of our mandate and decided that we would not retain our own expert advisors, that the information that we would receive from the negotiating team, that would come from their expert advisors, would be relied on.

SPEAKER: The hon. the Member for Mount Scio.

S. STOODLEY: Thank you very much.

So I understand the chair is a lawyer and an engineer. Unfortunately, I'm neither of those. But I understand that engineers look at risks, the consequences, likelihoods of things happening. I wonder if the chair can tell us if they considered the consequences of the risks and the magnitude versus the likelihood that they were not making the right decisions?

Thank you.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

That's a big question. The Oversight Committee certainly was aware of the

gravity and importance of this matter. There is nothing comparable right now anywhere in North America to what is being proposed here, so we certainly took that to heart and took our role very seriously.

SPEAKER: The hon. the Member for Mount Scio.

S. STOODLEY: Thank you very much.

I am wondering if the chair can tell us about the decision-making within the group – I believe this might have been answered but I didn't hear the fulsome of the response – was there consensus in terms of the three individuals and their recommendations to government?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

Yes, as I indicated, following each session – let me just to back – before every session with the negotiating team, we met and discussed what we thought might be raised, any questions that we had left over from the previous briefings or anything that had come up, as a result of a phone call from the chair of the negotiating team to me. So we would have that discussion first, we would have our two- to three-hour briefing with the negotiating team and, subsequently, after the meeting, we would always meet, discuss what we had learned and, from that, we would prepare a report.

I would draft an initial draft of the report to the clerk of the Executive Council, we would circulate that, we would get a consensus on what it was that we should be reporting to the clerk, an agreement on what it was that we had learned in the briefing and anything that we would recommend to the board, to the clerk.

SPEAKER: The hon. the Member for Mount Scio.

S. STOODLEY: Thank you very much.

This is my final question. I do want to thank you for your public service, obviously, it's a huge responsibility.

My final question, I ask the chair, how long he has known the Government House Leader and if he has a personal relationship with the Government House Leader.

Thank you.

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

You're speaking about Mr. Parrott. Mr. Parrott and I first met on the Hebron project. We sat on the board of the Hebron Project Employers' Association, which was the body that was established for that \$10 billion project to oversee labour relations for that project.

I have no personal relationship with Mr. Parrott. I saw him once last year but haven't seen him since probably 2015, that's when I retired from the company and stepped down from the board of the Hebron Project Employers' Association.

SPEAKER: That was your final question? Okay.

Given that we have two minutes, does anyone have a final question?

The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

Can Mr. Levert comment on how he would assess the full scope of the work that was carried out by the negotiating committee?

SPEAKER: Mr. Levert.

D. LEVERT: Thank you, Speaker.

It is not in our mandate to assess the work that was done by the negotiating team, but

we can say that the conduct of the negotiations was reasonable and was consistent with the negotiation strategy.

SPEAKER: Thank you, Mr. Levert.

Mr. Levert, on behalf of the House of Assembly, and I'm sure all the people of Newfoundland and Labrador who are tuning in, I want to thank you for coming here this morning and for providing answers to many questions. We really appreciate it.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: With that said, given the hour of the day, we will now recess until 1 p.m.

The House is in recess.

Recess

The House resumed at 1 p.m.

SPEAKER (Lane): Order, please!

Admit strangers.

We will continue on with our proceedings. This particular block, if you will, will be starting now and continuing until 5 p.m. at which point we will recess and then reconvene again at 6 p.m.

This afternoon I would like to welcome our special guests, Dr. Chris Loomis, Chair of the Governance Committee of the NL Hydro Board of Directors; Mr. Jim Haynes, Churchill River Advisory Committee Member with the NL Hydro Board of Directors; and Michael Ladha, KC, Vice-President and Chief Legal Officer and Corporate Secretary with NL Hydro.

Welcome to our Chamber, gentleman.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: Once again, just to go over the rules very quickly, for the benefit of our guests, if they haven't been following all

ready. Members will get 15-minute increments to ask questions to our panellists. For the benefit of the guests, I have no idea which of you are going to answer the questions, so just raise your hand when the question is asked, whoever is going to answer it and I will identify you. Once I identify you, then our Broadcast Centre knows to turn on your microphone and so on and then you can answer the question.

Members have one minute to ask the question but panellists have as long as they require to answer the question.

With that said, we will now start.

The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

First of all, welcome to the Newfoundland and Labrador board.

I would, first of all, like to ask if each of the board members to tell us a little bit about themselves, how long they have been on the board and why they agreed to join, Speaker.

SPEAKER: Okay, we'll start I guess with Mr. Loomis.

C. LOOMIS: Thank you, Mr. Speaker, for the question.

My name is Chris Loomis. I'm a retired academic. I retired from Memorial University 2015, early 2016. I hold a Ph.D. in Pharmacology and Toxicology. I came to Newfoundland in 1988, to join what was then the new School of Pharmacy in Canada and to help build that. I had previously held appointments at Queen's University in the Department of Pharmacology and a joint appointment in anaesthesia.

While at Memorial, I served as dean of the school for a number of years, I served for 10 years as vice-president of Research and also served a year as president and vice-chancellor of Memorial pro tempore.

I have been on this board for 10 years. My appointment to the board, actually, happened quite surprisingly. Following the departure of Ed Martin as CEO of Nalcor Energy and the abrupt resignation of the Nalcor board at the time, I was asked to serve as a member of the, supposed to be, interim board. I still remember getting the call from Minister Coady who was the Minister of Natural Resources, at the time, asking me if I would do so.

It was interim only because they were waiting for passage of the act that put in place the Independent Appointments Commission. I thought, well, I think I can probably be of help for the time I'm on the board and thought it might be interim and here I am, 10 years later.

So that's by way of background, my introduction.

SPEAKER: Thank you, and it's Dr. Loomis, I apologize. Eyes are not as sharp as they used to be, even with the glasses.

Mr. Haynes.

J. HAYNES: Thank you, Speaker.

My name is Jim Haynes. I graduated from MUN in 1977 with a Bachelor of Engineering degree and after a very brief vacation, I started work with Newfoundland Hydro in various departments involving construction of Holyrood 3, transmission planning, primarily, operations.

In 1989, I went to Churchill Falls for three to five years but I stayed for 10 and enjoyed every minute of it. It was a privilege to work there. In 1999, I very quickly returning for two months while we were on strike but that's the way it is. I came back to Hydro

and worked for the VP at the time, Mr. Collett, who was a great mentor, always.

Eventually, I took over the vice-president of Regulated Operations and retired in 2013. I did work for 1½ to two years as a consultant. I did work for Hydro, in fact, for a couple of projects they were putting to the Public Utilities Board. In 2016, I returned at the request, if you will, of Stan Marshall, then CEO, and I stayed for a little over five years, retiring again in 2021.

So my 41, almost 42 years of employment with Hydro was memorable and I was privileged to work there, actually.

Thank you.

SPEAKER: Thank you, Mr. Haynes.

Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

While not a member of the board, I will give you a little bit of an idea of my background and why I'm here as the corporate secretary. I'm the chief legal officer for Newfoundland and Labrador Hydro. I've worked at Newfoundland and Labrador Hydro for almost 11 years now. Prior to that, I had a corporate and commercial practice in downtown St. John's for seven years.

I'm responsible for all of the legal operations of Newfoundland and Labrador Hydro, including its interaction with its Board of Directors and the Board of Directors of the 13 subsidiaries. That's why I'm here today. I am the flow of information and the connection from the Board of Directors to the executive of Newfoundland and Labrador Hydro.

I also have a keen interest in a lot of background in governance, generally. I sit on the boards of directors of four organizations: a bank, a large national financial institution, a large national charity and also the executive committee of the

Institute of Corporate Directors here locally in Newfoundland and Labrador.

SPEAKER: Thank you, Sir.

Before we go any further, could we just stop the clock for one moment, please.

I know the Government House Leader had something he wanted to table and I neglected to let him do that. In case it is something that would be relevant for everyone to know ahead of asking questions and so on, I think it's important to table it. I have no idea what it is.

The hon. the Minister of Energy and Mines.

L. PARROTT: I won't speak to it, it's very self-explanatory. It's a fact sheet on the Gull Island development with spreadsheets and stuff attached to it. I'm sure no one will have any issues with that being tabled.

SPEAKER: Okay, we can start the clock again.

Thank you for that.

The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

I would like to thank the directors and the VP of legal and corporate secretary, for that information. I also would like to ask – we'll start with the directors first – if they could just elaborate on why they agreed to join the board, and we can then ask Mr. Ladha how he supports the board.

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you, Mr. Speaker.

As I indicated in my introductory remarks, my appointment came rather surprisingly, initially through a phone call. The reason that I agreed to serve was, at the time, I had just retired from Memorial, so I had some

time to spare. I had been serving on a number of national boards that held time-limited appointments. My time was coming up to expiration on those boards, so I knew I was going to have time to attend to this, should I do so.

I had, throughout my academic career, on occasion been appointed to boards of organizations that were undergoing some duress or some problems. I felt that I guess, in those capacities, I could help stabilize things and be of benefit. So I had a little bit of background in that regard and I felt that I could make – at the least, on an interim basis at the time – an appropriate contribution.

I felt it was also, in a sense, an obligation that I had on my part as, not a Newfoundlander by birth, but a Newfoundlander for some almost 40 years now. It was a way that I could make a contribution.

SPEAKER: Thank you, Dr. Loomis.

Mr. Haynes.

J. HAYNES: I started with the board in February of 2023. Prior to that, for a year and a bit – I don't recall exactly – I was on a subsidiary board of one of the Lower Churchill companies that were there, LIL 2021 general partner after one of the federal loan guarantees.

Why I joined the board? I was asked if I would come aboard, basically. I do have knowledge of Churchill Falls from an operating point of view. I was there 10 years, initially as a manager or director of operations, eventually the general manager. Enjoyed it, dove into it from the point of view of understanding how it works and how the river works and how water works and so on.

When I was asked to come back, I was retired. I loved the work; I wouldn't have stayed at Hydro for 36 or 37 years before retiring the first time if I didn't love the work.

It was an opportunity to get engaged and to stay a part of the Hydro family of companies, which I truly do embrace and think they provide an awesome service to the province.

I'm happy to serve the province. I've lived here most of my life, except for about 6 months in Montreal, and I would live here any day of my life, I would rather be here.

Thank you.

SPEAKER: Thank you, Mr. Haynes.

Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I think the question for me was to describe my role as it relates to the board, which I can do. So for those who aren't aware, a corporate secretary's role is to essentially be the primary link between the Board of Directors and the executive of a company and the CEO. I provide that link between the Board of Directors and Newfoundland and Labrador Hydro and Jennifer Williams as CEO.

I'm responsible for ensuring the Board of Directors gets all the information that they deem necessary to make their decisions in performing their oversight role as it relates to the company: arranging meetings; answering questions; and in addition to that, providing advice on various matters to the Board of Directors from time to time.

SPEAKER: Thank you, Mr. Ladha.

The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

If Mr. Ladha could also just elaborate a little bit about the board's makeup just to give us an understanding of how many members are there, what their backgrounds are and

their experience. If we haven't already covered, could you elaborate?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The board of Newfoundland and Labrador Hydro, by legislation, can have up to 14 members. Currently, there are 13 directors on the board, including Ms. Williams as CEO. Those directors have a wide variety of expertise, as would be normal in best practice for any Board of Directors of a sophisticated company.

Right now, we have directors that have extensive expertise in many areas critical, not only to this file that we're talking about today, but the operations of Hydro in general. That spans things such as electric utility operation, electrical engineering, project management, large scale development and corporate governance, finance, law, human resources. So we have all Board of Directors' members that have experience and backgrounds in all of those different subject matters right now on the board of Newfoundland and Labrador Hydro.'

SPEAKER: Thank you, Mr. Ladha.

The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: I'd also like if Mr. Ladha could tell us about the DCIA. Did the board review that agreement, the DCIA, as a whole? How was that done? Was it through a subcommittee? Could he please describe how that review process played out?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The answer is both a subcommittee of the Board of Directors, which we call the Churchill River assets committee and the

Board of Directors as a whole, given the importance of this file to Newfoundland and Labrador Hydro and the province. We're both very involved in, not only reviewing the final agreement, the DCIA itself, but also overseeing the negotiations from Newfoundland and Labrador Hydro's standpoint that led to the DCIA. That included many meetings reviewing progress of the negotiations, hearing from Newfoundland and Labrador Hydro's expert advisors, meeting with those advisors independent from management to be able to ask them questions, meeting with the negotiating committee.

So all of that took place over a several month period. There were many interactions between the board of Newfoundland and Labrador Hydro and the subcommittee with management, its experts and the negotiating team that led to that.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

If Mr. Ladha could just explain about the process. So there was a subcommittee struck. Perhaps you could just elaborate a little bit about that.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The subcommittee was struck, as is normal in corporate governance. Newfoundland and Labrador Hydro has a number of standing committees, things like audit, human resources, safety but, on occasion, when boards of directors have things in front of them that are of certain significance it is normal for a Board of Directors to strike a subcommittee to focus specifically on that subject matter and review it in more detail than the board would as a whole in performing its oversight function.

That was done here. We had the Churchill River assets committee that normally – not every time – met in advance of the board. They'd get presented with the same information, but the subcommittee's role was to essentially do a deeper dive and look into the issues and the negotiations in more detail than the Board of Directors would. The Board of Directors then is entitled, based on that committee structure, to rely on the advice and the recommendations of that subcommittee as it relates to things that they might recommend that the board approve.

Now, because of the importance of this file, the board itself was involved in looking at the file in detail as well. There were occasions where the subcommittee didn't meet, just due to time constraints, and the board met as a whole, which again was appropriate given the significance of this file to Newfoundland and Labrador Hydro and the province generally.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

This question can be directed to the Board of Directors, if we could be told if any directors declared a conflict of interest or did they have to step back from any part of the DCIA review?

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you, Mr. Speaker.

The answer to that is no. No one declared a conflict of interest, and no one was asked to remove themselves from all discussions and votes on this matter.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

I'll move on right now to the review and the review process and the approval process of the DCIA.

I would direct this question to all of the panellists. Can each of them describe their involvement in the review and approval of the DCIA?

SPEAKER: Mr. Haynes, do you want to start?

J. HAYNES: Sure.

The documents and the work that was done before with respect to, even the Muskrat Falls review, the Independent Review Committee, and the negotiations that had taken place up to the MOU, all informed the negotiation strategy that basically they came up with. Obviously, we had input, but the government were informed by that, it was reviewed and lots of questions asked.

I can't specifically remember the questions but there was lots of active dialogue on the DCIA to ensure that we were covering all the basis of what the mandate would be. It was approved and there was subsequently a couple of amendments that would normally happen in the course of things like that there. I would add that there was a full and open discussion and no holds barred, I'll say, for any discussion or dialogue between the parties on that.

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you, Mr. Speaker.

As one member of the board, I can say that we were actively involved in all aspects of its review from the outset, that is approving the negotiating mandate, all the way through to the final recommendation that Hydro enter into this agreement.

We were all participants in meetings with the negotiating team. We were all present as part of interviews with the independent experts, some of whom you spoke to

yesterday. Importantly, those meetings were done in camera, without management. So we were able to ask very direct and precise questions to them.

We also met regularly with our own management, with Jennifer and her team throughout the course of the review. I would add that over a 10-week period we met at least seven times, full board. There were some email interactions in between. We were meeting almost weekly from about the 3rd or 5th of June through to August 10.

They were intense examinations by every member of the board, including myself, on all elements of this and, on that basis, that we unanimously recommended that this DCIA be approved.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Perhaps I'll just provide a few more details as to how the process occurred. As the directors have stated, this started in early June and the board met seven times prior to August 17 when the DCIA was signed.

The first thing that they did was they approved a negotiating strategy, sometimes referred to as the mandate, that was provided and written by government, but the board also had to approve it and debate it and it did so without any changes, subject only to two amendments that followed during the process which I think you heard a little bit about this morning from Mr. Levert.

As Mr. Loomis said, the board had full opportunity to question Hydro, which it did both in writing, in providing written questions and verbally in each of those seven meetings. It had the opportunity to meet with the negotiating team. It had the opportunity to meet with Hydro's experts and, as Mr. Loomis said, that was done in camera, which means no members of management, including Ms. Williams, were present at those in camera meetings, which

is important for the board to be able to ask the advisors questions without the influence of management in the room.

One thing that hasn't been said is that our independent audit function also performed a review of what would be appropriate for governance of a file like this and Hydro generally and provided her findings to the Board of Directors on that, which the board was satisfied with as well.

SPEAKER: Thank you, Mr. Ladha.

The minister's time has now expired.

The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Thank you, Speaker, and welcome and thank you gentlemen for being here today for this very important discussion.

I'll get right into it. What did the NL Hydro board consider to be the mandate for these negotiations?

SPEAKER: Dr. Loomis.

C. LOOMIS: Well, the mandate was established as part of the negotiating strategy, and the mandate came from government and approved by the board. We've adhered to that, or at least our guidance oversight of the process was directed by that document.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: I think that Mr. Ladha wanted to add something.

SPEAKER: Mr. Ladha.

M. LADHA: Is that okay if I add?

SPEAKER: Yeah, you can, just make sure you raise your hand.

M. LADHA: Thank you, Speaker.

Dr. Loomis is correct that in terms of this file there was a mandate provided by government which the board also approved, but generally, the board's mandate is to make decisions that it considers to be in the best interests of Newfoundland and Labrador Hydro as a corporate entity as well. That is their overriding mandate as it relates to their duties generally, but then there was the specific mandate for this file that was provided by government and also debated and approved by the Board of Directors.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Thank you, Speaker.

Did the Hydro board agree that the IRC report should form the mandate for the negotiations?

SPEAKER: Dr. Loomis.

C. LOOMIS: The mandate that we received for our review and approval was informed by the recommendations of the IRC and, as I understand, was used as a framework for the negotiating strategy and the negotiating mandate. That is the nature of the interaction with the IRC as far as we were concerned.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Did the NL Hydro board agree with all of the recommendations of the IRC?

C. LOOMIS: (Inaudible.)

SPEAKER: For the purposes of your microphone as well. Dr. Loomis, yes.

C. LOOMIS: I will get this correct before we're done.

The answer is yes.

SPEAKER: The answer is yes. Okay.

The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Does the NL Hydro board think that the new agreement fully satisfies all of the recommendations of the IRC report?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Speaker.

As Dr. Loomis said, the mandate of the Board of Directors was the mandate that was provided by government approved, not necessarily strictly the IRC report, although that report did inform the mandate for this file. What has not yet been said is that the Board of Directors was provided – they requested it, actually, of management – a detailed comparison of the DCIA to the IRC report, which cannot be tabled because it contains a significant amount of commercially sensitive information about the negotiations. But the Board of Directors did receive that very detailed comparison of the DCIA to the IRC report before making the decision to approve the DCIA.

SPEAKER: Thank you, Mr. Ladha.

The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Would you agree there are still negotiations left to be done before final binding agreements?

SPEAKER: Dr. Loomis.

C. LOOMIS: Absolutely. I mean, the next step in this if this is approved will be to move to definitive agreements, and that's where the real nitty-gritty and the detail will have to be worked out. This is simply the first step or the next step, I guess, in this process.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: We heard this morning that the Oversight Committee has concluded its work. Why do you think there should be oversight for the first part of negotiations but not for the rest?

SPEAKER: Mr. Ladha.

M. LADHA: I think that's a question for government in terms of oversight. The Newfoundland and Labrador Hydro Board of Directors has a mandate in terms of oversight of the corporation generally. In terms of additional oversight that's layered on top of that, I don't think that's a question that is for us to answer.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: One year ago this week, the now Premier announced he would hold a referendum. Once elected, this commitment was repeated in his mandate letter to his Cabinet. Of course, we now know the Premier has backtracked on this promise. He has now cancelled his own referendum. Did NL Hydro have any concerns about the referendum?

SPEAKER: Mr. Ladha.

M. LADHA: Similar answer, Mr. Speaker. That is a political question, I believe, and Hydro as a Crown corporation is an apolitical organization. It does not take opinions on matters of public policy like that. So I think that is a question that is best directed to the government.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Are you aware of any conversations between NL Hydro and the government about a referendum and what is their position on the referendum?

SPEAKER: Dr. Loomis.

C. LOOMIS: No, I'm not aware of any conversations in that regard.

SPEAKER: Thank you.

The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Do you have any concerns that the basis for the mandate is the IRC report, yet the public and no one knows who made submissions, what submissions were adopted and what ones were rejected?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Again, the board's mandate is not strictly the IRC report, nor would the board be aware necessarily of who the experts were that the IRC interviewed. That's not the board of Newfoundland and Labrador Hydro's role.

Again, the board's role was to follow the negotiation strategy that it approved and was also approved by the government.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: In the House of Assembly, the Premier admitted he did not know who the experts relied upon in the report were, or how they were qualified. Do you know who these experts are?

SPEAKER: Dr. Loomis.

C. LOOMIS: We have no information in that regard.

SPEAKER: Thank you, Sir.

The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Shouldn't the public know the background information that went into the IRC report, keeping in mind it was done as a public inquiry, yet nothing is really public?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Again, that's not necessarily a question for the Board of Directors. The Board of Directors is charged with making decisions that it considers to be in the best interest of Newfoundland and Labrador Hydro, but the very fact that it passed the resolution approving the DCIA is confirmation that it did, in fact, believe that that was the case when it made that decision and approved the document.

SPEAKER: Thank you, Mr. Ladha.

The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Is that good governance to rely on a report without knowing where the underlying data came from?

SPEAKER: Mr. Ladha.

M. LADHA: Again, in terms of the governance of the IRC process, the Board of Directors nor the corporate sector of Newfoundland and Labrador Hydro were involved in that or can speak to that. My role and the board's role is to ensure good governance is conducted at the Newfoundland and Labrador Hydro board level, which we believe is the case and has been done in approving the DCIA.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Dr. Loomis, you are a Doctor of Pharmacology, would a report ever be published in your field without citations and references? Would a research paper ever

be published in a medical journal, for example, without them?

SPEAKER: Dr. Loomis.

C. LOOMIS: In the academic world, that would not be the case.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Thank you, Speaker.

The Premier said this on May 4: I thought it was important that an Independent Review Committee themselves be the ones to present the report to the public of Newfoundland and Labrador. That will happen on May 19. But that did not happen. They were never made available to the public.

Does this concern you, especially because the Premier had made the commitment but then broke that commitment?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Again, I think that's a question best directed to the Premier in terms what he said and what he's done.

The board of Newfoundland and Labrador Hydro had a mandate specific to this file and a mandate more generally to make decisions that are in the best interests of Newfoundland and Labrador Hydro and the people of this province, and it believes that the board had fulfilled that function in approving the DCIA.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Thank you, Mr. Speaker.

The government insisted on the old MOU being reviewed. You may recall that from

the 2025 debate. Has the new deal been independently reviewed as is?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The new deal has been approved and reviewed by Hydro's experts, all of which was informed by the IRC report, as we have heard many times, that formed the basis and a roadmap for negotiations this time around.

I guess that is it, Mr. Speaker.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Thank you, Mr. Speaker.

On VOCM *Open Line* the Energy Minister said, it would be my stance that this has not only been reviewed but I don't see that it would be necessary for another review. Do you agree or disagree with the statement that this new agreement has been reviewed by an independent, external body and, if so, by who?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I agree that an independent review has been performed, which was taken very seriously and informed, as we have said, the negotiating strategy and formed the basis of the negotiations this time around. I do not think it is necessary or would it be customary to do an independent review every single time an organization such as Newfoundland and Labrador Hydro reaches an agreement with a third party, especially when that agreement has been already informed by such a review to begin with.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Thank you, Mr. Speaker.

The Board of Directors voted in support of the 2024 MOU, correct?

SPEAKER: Mr. Loomis.

C. LOOMIS: That is correct.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Thank you, Mr. Speaker.

So the Board of Directors was satisfied with the MOU and agreeable to proceeding to final agreements on that basis.

SPEAKER: That is question, I guess.

Mr. Loomis.

C. LOOMIS: Yes, that is correct.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: How many times did the board meet about his deal between June when negotiations started and August when the deal was announced?

SPEAKER: Mr. Loomis.

C. LOOMIS: We met in person seven times over a 10-week period.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Thank you.

Jerome Kennedy was retained in January 2026. What was his role between January 2026 and June 2026?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The board would not have been aware of the specifics of Mr. Kennedy's role when he was retained in January, other than as

being generally an advisor to the government on this file.

Subsequent to that, the board would have been aware that Mr. Kennedy was appointed to the negotiating team and then met with the board on several occasions with the other members of the negotiating team while the board was considering the negotiations and the approval of the DCIA.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Thank you.

Can you tell this House what did he do and how much was he paid for his work?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Neither the board nor Newfoundland and Labrador Hydro has any information as to the number of hours that Mr. Kennedy spent on this file nor what he was paid for that. However, we can say based on our experience that the negotiating team, including Mr. Kennedy, spent a very significant amount of time on this file, as the board of Newfoundland and Labrador Hydro and its staff has as well.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Do you know how much money NL Hydro spends every year to mitigate rates as a result of Muskrat Falls?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Yes, I am aware of that as the Board of Directors has been apprised of that as well, and it's approximately \$500 million a year.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Thank you.

Yes, we've been previously told that it is up to \$500 million a year. Was the Hydro board concerned about having someone who incorrectly said Muskrat Falls would pay for itself, negotiate the Churchill Falls and Gull Island contracts?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Again, the board's mandate is to make decisions that it considers are in the best interests of Newfoundland and Labrador Hydro as a company. The negotiating team was an input to that, to the extent – I would ask the directors to speak to this as well – that it got information that it didn't consider reliable from any source, the negotiating team staff or otherwise, the board would have the ability to question that and ask for alternate information. That did not happen in this case.

SPEAKER: The hon. the Member – oh, sorry. Mr. Loomis, you wanted to comment?

C. LOOMIS: I was just going to add that I concur with the conclusion that Mr. Ladha stated about this matter.

SPEAKER: Okay.

The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: When the NL Hydro board was briefed, was NL Hydro told the estimated pricing for Gull Island throughout the course of the contract?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The NL Hydro board was given a great amount of detail regarding the DCIA and the development projects contained in it. Included in that would have been

information about the cost structure for Gull Island.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Did they ask for it?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I'm not clear on what the question is. The board was provided with all the information that management considered necessary for it to review. There were occasions when the board asked information to be provided, which was also done.

No, they did not, in my recollection, specifically ask for the cost structure related to Gull Island, but that presumably was because they were satisfied with the information on that topic that had been provided by management.

SPEAKER: The hon. the Member for Harbour Grace - Port de Grave.

P. PARSONS: Can the board confirm there were no negotiations that took place between the fall of 2025 and June 2026?

SPEAKER: Dr. Loomis.

C. LOOMIS: I'm sorry, I don't quite understand. Which negotiations are we referring to here?

SPEAKER: Can the Member just clarify the question, please?

P. PARSONS: Well, first of all, did the board receive a briefing about the negotiation's mandate after the IRC Report was made public?

SPEAKER: Is that a clarification of the first question?

P. PARSONS: (Inaudible.)

SPEAKER: It is, okay. I thought it was a different question.

That is the same question you just asked, just rephrased, is it?

P. PARSONS: Yes.

SPEAKER: Okay.

Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The negotiation mandate that was developed by government and subsequently approved by the board came after the IRC Report was released. That's correct.

SPEAKER: The Member's time has now expired.

The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

I just want to hear from the panellists about the fact that they are an apolitical organization. We've heard some questions that have been asked from the Member in the Opposition and certain ones were described as political questions. It was further stated that the board makes decisions in the best interests of Newfoundland and Labrador Hydro and the people of Newfoundland and Labrador and they have to act within the mandate of Newfoundland and Labrador Hydro, which was to file a negotiation strategy.

I would like to hear from them why it is so important – for us we need to understand why it's not appropriate to answer political questions and what it really means that they are an apolitical organization?

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you for the question.

I guess I would begin by simply stating that to answer a political question that way would, in fact, compromise the very apolitical position that we hold as members of this board. We have a duty of care to this organization, which serves all of the people of Newfoundland and Labrador, and it is best for people like me and my colleague, Mr. Haynes, to refrain from answering questions that fall outside the mandate that we have as board members. Hence, I have been deferring those questions to Mr. Ladha for the appropriate response.

I hope that answers your question.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: I'd also like to go back to the part of the review process. I understand it was stated by the board members that they had met with others with part of this review and there was a time when others were asked not to be in the room, that management not be in the room. I'd just like that to be explained, why that is important and how that played out as well?

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you for the question.

By holding those meetings with, for example, the expert advisors in camera, that is without management present in a room, we were able to ask very direct questions without undue influence – and I'm not suggesting there would have been any, but without undue influence by the presence of management in the room. It would also afford the expert panellists to answer our questions without the same concern.

It's good governance in all situations for a board to hold in camera meetings. I can assure you that, as part of our regular board meetings, we always follow up with an in camera, initially with management present, Ms. Williams in particular, and then we go fully in camera to discuss the deliberations

of the board that day and the activities of the organization. It's just a very sound, good governance practice which we try to uphold wherever we can, not only as a board, but also with experts with whom we are asked to consult.

SPEAKER: Mr. Haynes, do you want to comment as well?

J. HAYNES: Yes.

If I could add, I mean, in these discussions with the expert witnesses, which included Power Advisory, J.P. Morgan, Stikeman Elliott and McInnes Cooper, one of the things that we had also asked each of them, was there anything else that they wanted to add; was there anything they wanted to tell us. There was nothing of any consequence that they said to us that would cause us any grief or concern about the process.

Thank you.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: I would just like to explore the concept of good governance as well. When we look at Hydro board's governance role, I wonder is it safe to say the negotiating team negotiates the oversight committee, scrutinizes the process and reports, and the Hydro board exercises corporate governance decision-making authority?

There are different layers of scrutiny there. Perhaps, for the benefit of understanding those concepts, we could get an explanation about how that works?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Yes, generally what was described I would say is accurate. For that reason, it was important that the Oversight Committee's role and the role of the Newfoundland and

Labrador Hydro board, in terms of fulfilling its corporate governance duties to the organization, that they didn't overlap or intersect to ensure that there was no confusion there.

So the Oversight Committee performed a fully separate role apart from the Board of Director's role, that is true. The Board of Directors is there, again, to perform an oversight function to make sure that the decisions they are making they believe to be in the best interest of Newfoundland and Labrador Hydro. But that is a higher-level function as compared to management or the negotiating team, which entities are charged with negotiating the detail and making sure that the management functions of the organization, the agreements are properly worded, those sorts of things, which is not the role of the board.

It's important to recognize that the role of the board is much more high level in terms of fulfilling the strategy of Newfoundland and Labrador Hydro generally, the strategy as it relates to this file and, again, perform its oversight function and making decisions that it believes are in the best interest of Newfoundland and Labrador Hydro and the residents of Newfoundland and Labrador.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you for that.

I wonder when I think about the Hydro board and the important responsibility here, did your role also include the responsibility, I guess, to decide whether a major corporate transaction should proceed, such as this one? Is that what we're saying here?

SPEAKER: Dr. Loomis.

C. LOOMIS: Yes, that is correct. Our ultimate decision in this case was to recommend that Hydro enter into the DCIA,

and that's why we're here discussing it today.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: So in making that decision, I would like to ask, in terms of what you considered, what information you would have – I assume you would have to have considered risks and legal advice, long-term consequences. Is that basically what was involved in the process of approval?

SPEAKER: Dr. Loomis.

C. LOOMIS: The simple answer is yes. We considered many, many factors and received information from a variety of sources, the negotiating team, expert advisors, we had both written and oral answers to questions that we had posed to a variety of sources. I mean, as a board, risk management is one of the responsibilities we have as a corporate board. We did have to consider risks, both of the current DCI and what would happen if we didn't proceed with the DCI.

So all of the factors that were relevant to this case and all the sources of information that we could avail of were utilized by the board to the best of our knowledge and the best of our ability.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

With respect to the process, as well, I'll ask the directors, were they given enough time and access to expertise to review and assess the DCIA and, if so, could you explain that, please?

SPEAKER: Dr. Loomis.

C. LOOMIS: I can say, unequivocally, that we were given every opportunity, both time

and resources, to consider this. Given the complexity, the scale and the importance of this deal, that was certainly something that the board was concerned about going into our overall deliberations in this case. I can't think of a situation – and I will defer to my colleague, Mr. Haynes, in a second for his opinion but I can't think of a single case where we were left shorthanded or short timed in order to do the review and the assessment that we needed to do.

It was in a compressed time frame. This all happened over a matter of 10 weeks or so, but we met frequently enough and often enough and with sufficient advance notice, including written materials, I think to be able to do the job we were tasked to do.

SPEAKER: Mr. Haynes.

J. HAYNES: If I could add, in these meetings and discussions, it wasn't only with, at times, the negotiation committee or the management committee, I'll call them. There were other folks in the room from Hydro, specifically, who were involved, I'm going to say, down in the weeds, and we had opportunity to ask any questions for clarification. The engineers tend to go in the weeds sometimes and sometimes I ask too many questions, but we were not cut off. We were given every opportunity to ask whatever questions we wished.

There was no unnecessary rushing but time was of the essence, obviously. But I think we executed that with reasonableness and fairness and certainly with sincerity and honesty.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: With respect to accessing the questions, would that also apply with respect to your ability to access all the information and documents that you need and the analysis that would be needed to do your work?

SPEAKER: Mr. Haynes.

J. HAYNES: I can't think of anything that we asked for or that we were denied. I don't think we were denied anything during this process whatsoever.

SPEAKER: Dr. Loomis.

C. LOOMIS: I would simply concur with that statement. As another member of the board, we received everything that we asked for, everything that we think we think we needed and we were given the time to question and analyze that accordingly.

Thank you.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Could Mr. Ladha please advise what legal advice did the board receive on the DCIA and from whom?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The board would have received legal advice from several different sources, as it was considering the DCIA. First of all, it would have received legal advice internally from Newfoundland and Labrador Hydro's legal function, including myself as corporate secretary on the DCIA.

In addition to that, the Board of Directors met on two occasions with Hydro's expert legal advisors who were from McInnes Cooper here locally and from Stikeman Elliott nationally, both who have been involved in essentially working as one firm to support Newfoundland and Labrador Hydro throughout these negotiations.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: We did talk earlier about risk, and I would just like to explore that further to all the panellists. Have you completed a risk analysis of the DCIA and/or identified any concerns with it?

SPEAKER: Mr. Haynes.

J. HAYNES: We reviewed the risk, the pros and cons, and there are negotiations to happen yet. Obviously, there is still the final agreements to do. As somebody said yesterday, I believe, Mr. Perry, that Hydro-Québec are shrewd negotiators and, obviously, that is a thing that I know that Hydro who were going to negotiate the DAs and the board who will see them in the end will be keen to do.

There are puts and takes and there are trade-offs in every file. I think what has been concluded is a balance of all that makes a good deal. I am sure that people would want lots of things that will not be deliverable or there will be no deal. And I think what has been presented to the House is a fair proposal for Newfoundland and Labrador Hydro and Newfoundland and Labrador government to concur with on balance.

There will always be differences of opinion as to what's most important, but I think we have landed in a comfortable place that it will serve the province and my children and grandchildren into the future.

SPEAKER: Dr. Loomis.

C. LOOMIS: I would simply add that risks and risk assessment were key components of our questions to the experts and to the negotiating team as this proceeded through its iteration. Overall, it was more of a global kind of risk assessment for the province and its future, but those were always fundamental elements of our analysis with all of those to whom we spoke.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I would just add that, as Mr. Loomis and Mr. Haynes have said, enterprise risk management is a critical function of the Board of Directors, such that there is routine risk reporting that goes to Hydro and one of its subcommittees as well. That is not different for this file, so that was done as well. Risks were presented; mitigations were presented.

But to get into the specifics in some of those risks and mitigations, given that there are negotiations to come and then a long commercial relationship with Hydro-Québec, would not be advisable to get into those specifics in my view.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: I'll ask the directors this question about whether you were briefed on the federal components of the overall deal and how do you think they contribute to the deal?

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you, Mr. Speaker.

The answer is, yes, we were apprised of initially the emerging role of the federal government in this. As it became more concrete and as more evidence of their interest and participation in this came about, that was brought to our attention.

I think to answer the later question, and I think this was made relatively clear yesterday in the House, it became a critical element to reaching a successful conclusion for all the reasons that were elaborated on yesterday, which I would agree with.

SPEAKER: Thank you, Mr. Loomis.

The minister's time has now expired.

The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you.

Good afternoon to our panellists.

My first question might be a handful of just yes or no. We've been hearing a lot of talk the last few days about this better deal for Quebec. Can the panellists confirm that Quebec will pay less for electricity in the '26 MOU than they would in the '24 MOU?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The Board of Directors of Newfoundland and Labrador Hydro would not be privy to the calculations that Hydro-Québec is using, I think that's what the Member is referring to, in terms of its stated cost of electricity in the 2026 DCIA as compared to the 2024 MOU.

The Board of Directors would be concerned with what that cost is to Newfoundland and Labrador Hydro and the ratepayers of this province. Again, Newfoundland and Labrador Hydro, itself, would not necessarily have the information necessary to recreate the numbers that Hydro-Québec is using publicly, and that's not necessarily the board's role.

The board's role is, again, to make sure that the deal that it is approving is in the best interest of Newfoundland and Labrador Hydro, totally agnostic to what Hydro-Québec may say that it is getting itself.

SPEAKER: Thank you.

The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you.

Earlier I heard the panel mention they were comfortable with this deal and the best deal for NL Hydro. Well, for context, we're talking about a global energy warehouse in Labrador which is not a place on a map for

me; it's home – it's home – and my job here is to advocate for the people that I represent.

I ask the panel, can they confirm that in this better deal for Québec, that Québec will receive more power in the '26 DCIA?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I believe it is correct that Québec will receive more power than the 2024 MOU, but as will Newfoundland and Labrador Hydro. The megawatts that are available to Newfoundland and Labrador Hydro to serve predominantly Labrador is 2,750 in the DCIA as compared to 1,990 in the MOU.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

Maybe as compared to 3,550 or something for Quebec, I think.

Can the panel confirm, Speaker, that in this new better deal for Quebec, they will receive more money?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Speaker.

I don't think that's a question for the board to answer. Again, the board's mandate is to make decisions and be aware of what is coming into Newfoundland and Labrador Hydro. The board would not specifically be aware of what income then Hydro-Québec would get from either selling that power in-province or to its own customers. The board of Newfoundland and Labrador Hydro would not have that information.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

We do know that with the federal contribution or \$10 billion, \$6.5 billion of that went to Québec and \$3.5 billion to Newfoundland and Labrador.

Speaker, one of the things that really, really jumped at me and clearly many other people, given how inundated I have been with emails and messages over the last number of days, is the fact that the requirement for fairness was dropped from the MOU to the DCIA. This removed a legal requirement for our price to be fair in circumstances. We think about the '69 deal; history might have looked a little different. I'm just asking is the panel concerned about the fact that the fairness disappeared from the DCIA?

SPEAKER: Dr. Loomis.

C. LOOMIS: I think it's fair to say that the board was satisfied that in this agreement, should it be approved, there were guaranteed factors that would allow for a rate of increase over time. I think 14 or so per cent up until 2041 and 2.5, 2.6 per cent beyond.

So there were factors built into this relationship that were certainly missing from the 1969 agreement and that would assure the province would receive a fair return on the electricity that it was generating.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I would add to that that I don't believe the lack of the word "fairness" in the DCIA indicates that the DCIA is not fair from Newfoundland and Labrador Hydro's perspective.

As has been said numerous times, the DCIA contains much more material terms than were included in the 2024 MOU. We've gone further down the field, if you will, in terms of negotiating the material terms. Everything that has gone into that, including

the advice that we have gotten from Power Advisory and J.P. Morgan that you heard yesterday, has made us comfortable and, indeed, the board comfortable in approving it, that it is in fact fair, as evidenced by the price we're getting as compared to those other markets, as compared to the price of replacement in Quebec, everything that you've heard about yesterday.

So I don't necessarily agree that the removal of the word "fair" is an indication that the DCIA is in and of itself unfair, which I would disagree with.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

I sat through the January '25 debate and at that time, the CEO, who has now signed this, at that time fairness was not just really important to her but "really, really important and I'll draw everyone's attention to this ... 'fairness.' Fairness contained in this document is something that we wish we would have had before; it might have changed ... history." Those were the words of the CEO of NL Hydro. It doesn't seem important now today.

My next quick question, Speaker – I understand there is a potential project being discussed to replace the electrode grounding line from Muskrat Falls to the coast with a wood pole structure. Is the panel or the board of Hydro aware of this?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

All projects that are significantly advanced and require capital investment or present a risk to Newfoundland and Labrador Hydro are presented to the Board of Directors at the appropriate time. That specific project has not yet been presented to the board of Newfoundland and Labrador Hydro, and I

don't have the information in front of me as to the capital expenditure.

As you can appreciate for a Board of Directors, not every project would go to a Board of Directors, there are materiality thresholds. I don't know the specifics of the project that the Member is speaking about in terms of its capex to be able to say whether it is one that would be brought to the board level or not.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker, and I thank the member for that question.

What I'm getting at is this project that is going to provide more energy than the three largest cities in Canada, which is exporting power down through the US, Boston, Massachusetts, in our backyard, we never got 1 kilowatt from Muskrat Falls. We got a lot of destruction. We're still reeling from that. I'm just trying to find out if there is any discussion happening around a transmission line to the South Coast from this more than \$200-billion project.

I understand that from folks in the engineering world, that they feel that what is in place right now, what is travelling down on the steel structure isn't working and, with the changing weather, power goes down for days with ice build up and things. I'm wondering if there had been discussion around a transmission line to the coast and perhaps two purposes could be served at one time, which we certainly wish had been done with the Labrador-Island Link and that subsea cable when we dealt with some other issues, Speaker.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I believe the Member is referring to the line that has been discussed to Labrador South, which the Board of Directors of

Newfoundland and Labrador Hydro would be very familiar with in terms of Hydro's plans for a reliable supply for Labrador South that Ms. Williams spoke about yesterday, as that has been a topic of significant discussion at the Public Utilities Board and with the members of those three communities.

The board is aware of Newfoundland and Labrador Hydro's obligation to provide reliable service for those towns and Newfoundland and Labrador Hydro's plan as it relates to doing that, which has been before the Public Utilities Board and now the Court of Appeal for quite some time, yes.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

The panellist actually spoke of a separate issue. One is the transmission line to go down to the coast to power all of the District of Cartwright - L'Anse au Clair. Anything less – we got nothing from the first iteration in '69. One group in Labrador got something from the second and the third time around, jobs alone are not enough. So that's the transmission line; however, in my hometown in that region right now, surveys are happening while we remain on mobile units, so that is another issue.

I want to go back to market-based pricing and ask the panellists are they comfortable, to use their words – from the '24 MOU to the DCIA, they gave up market-based pricing for Churchill Falls power. Instead, we have a fixed price now in the contract.

For people viewing, who may not have poured over this as much as we did, that means that if energy prices rise, our price is fixed. The price NL sells power to Quebec for will not rise in accordance with energy markets. Would you agree that this was a better way to go?

SPEAKER: Mr. Haynes.

J. HAYNES: If I could, market based is a risk as well; prices go up and prices go down over time. I know we all think they're going to keep on going up and we might be right; however, there are lots of technology reviews on the way and change coming, too. We don't know what the outcome of that will be.

We do have an alternate in the sense that we have these proxies by virtue of the Central Hudson line, the New England line and Ontario. We can allocate a certain number of megawatts to that or we can play with that versus the 150 per cent premium with Hydro-Québec.

I suspect that in the future when this proceeds – if it proceeds – that the folks in Hydro will be optimizing where they take power for our provincial use in Labrador, wherever, between Gull Island and Churchill and between these options for these proxy markets.

I don't think all is lost with respect to market index. We don't have – quote, unquote – an index per se, but we have proxies that do provide some balance for all that.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker, and I thank the member for the answer.

There was considerable discussion, and at that time in '25, Hydro felt, the CEO, that we needed those options because no one really knows where energy is going to go. But now it seems a 50-year deal, which wasn't acceptable, with no off-ramps is no fairness clause, no market-based pricing, lost control of Gull and Quebec gets cheaper power from Newfoundland. We get about half.

I do want to ask the board, do you as the board question whether the negotiating

team got the best deal or they just met the negotiation directions from the Premier?

SPEAKER: Mr. Haynes.

J. HAYNES: In my opinion, the negotiation team had a hard task ahead of it in the sense that you're dealing with an astute counterparty.

I fully agree with Mr. Perry, that the only logical participant with Lower Churchill developments with Newfoundland and Labrador Hydro is Hydro-Québec. It gives an opportunity to manage the river, to manage all the assets. Hydro-Québec are taking all the hydraulic risks and are taking cost risks. I think that's a phenomenal give. Plus, they're making advances to us to provide our equity. I think on balance that it's a good deal for the province and one that we should endorse.

I think that's it.

SPEAKER: Dr. Loomis.

C. LOOMIS: I would simply add that I think the more appropriate way to phrase this issue or question is, is this the best achievable outcome or agreement that we could come to? Because this is a negotiation on two sides. There was no way that one side is going to go in and get everything it wants.

The question I was looking at or asked myself as we considered this document and this file was, is this the best achievable, under the circumstances? When all is said and done, in my opinion and given all of the factors that weigh into and the contributions that will be made as a consequence of this agreement, the answer for me was yes.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

It's hard for me to pull away. I have to go back to the line again. I have to go back to our dependency on diesel. I just want to share with the panellists, and they may be aware that right now in Manitoba they're actually taking an ambitious, bold step and building a 1,200-kilometre infrastructure project and it's going to connect remote communities in Nunavut to clean hydroelectricity. So we know that it's going to be possible; a much more rugged terrain and a longer distance than what I'm speaking of.

I do want to ask the Hydro board if there are no plans to replace diesel on the southern coast, has there been any discussion around a uniform rate or an increased lifeline block? Has that been considered?

SPEAKER: Mr. Haynes.

J. HAYNES: I'm not aware of that, but that would be a management issue for Hydro at this point in time. I certainly agree that there have been some ambitious projects in the last few years to do that and it looks great. But we have to have the money, too.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

As Ms. Williams said yesterday –

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

Mr. Ladha.

M. LADHA: In terms of what Hydro is obligated to do by its legislation and providing reliable supply to any community in the province, there are options available which Hydro has been pursuing for quite some time. Should there be something put forward that doesn't meet that legislative mandate, that's more a matter of public policy whether the government of the day would choose to spend the money that

would not be justified in the eyes of the Public Utilities Board to put in an alternate solution that Hydro, by itself, by virtue of its legislative restrictions, could not propose or build.

SPEAKER: Thank you.

The Member's time has expired.

The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Always great to ask questions on the new and better deal for Newfoundland and Labrador.

Mr. Speaker, the previous speaker referred to cheaper rates for Quebec and I assume she was referring to the 0.2 cents they're paying now. I ask the panel, is this cheaper rates for Quebec?

SPEAKER: Mr. Haynes.

J. HAYNES: The rates in the DCIA are certainly not cheaper than what Hydro-Québec are getting from the Churchill Falls contract which was executed in 1969.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Question for Mr. Haynes, specifically, Mr. Speaker.

You spent about 10 years actually in Churchill Falls. Can you just give us a brief overview about what it means to keep that plant up and running and what's involved with it?

SPEAKER: Mr. Haynes.

J. HAYNES: Thank you, Mr. Speaker.

It's a complex plant. When it was built, it was one of the largest underground powerhouses in the world with one of the

largest manmade reservoirs. It was operating at – the draw lines were at 735.

I'll give you an anecdote. When I would take someone for a tour from Ontario, which I would occasionally do if somebody from another utility came in, I would walk across the powerhouse and say this is like nine CANDU-600 reactors and, in the nighttime, there are two people in the powerhouse.

It's a phenomenal facility, but it's a challenge. There are challenges with maintenance. There are challenges with capital replacement because the 1969 contract did not, blindly I will suggest, anticipate much capital replacement of transformers breaking or blowing up, as we occasionally do, or generators failing which would require major capital dollars to enhance and replace.

We had to live with the money we had, and it was a challenge. When we got stuck, we did get another agreement with Hydro-Québec called the Guaranteed Winter Availability Contract and it was a small predecessor which helped us get more revenue to help maintain the plant.

The whole issue of Churchill maintenance is an issue. I said to someone this morning, I had a previous boss who said, did you ever see a spare part that an engineer wouldn't like? Yes, I'd like to have it all. You can't. You have to manage that risk. I think that CF(L)Co has done a wonderful job doing that, but it does take time and effort, and the North brings some challenges too.

We had ice storms in Labrador as well. Prior to the Quebec outage, we had our own outages where the plant was offline basically, except for serving Labrador, spills and so on. It's, I won't say, a 24-7 operation but it takes a concerted effort, as will this plant.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Again, for Mr. Haynes, Mr. Speaker, he spent about 40 years in industry and my question is, how long do generators and turbines, like the ones used at Churchill Falls, typically last?

SPEAKER: Mr. Haynes.

J. HAYNES: Well, I went there in 1989, the first unit came online in 1971 and the final machine came online, I believe, in 1974. I went there in '89 and we were getting cracking on some turbines.

To remove a turbine is a major undertaking. It requires a long outage. You have to lift, I'm going to say, 200 or 300 tons out of the pit, take everything apart and take the stator out. The turbines themselves, about 50 years. I think they thought they were going to last 65; they don't quite make it.

Obviously, today, there are different standards, there's different metallurgy and every effort we made to make sure these things do last a longer time, but they do fail and that will continue to happen.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Can you describe how old some of those units are today compared to the typical life that you just described?

SPEAKER: Mr. Haynes.

J. HAYNES: Do you mean the Churchill units?

L. PARROTT: Yes.

J. HAYNES: Well, the Churchill units were commissioned in 1970, so that's roughly 50 years or so that they are. We are going through a replacement program now for some; not all the turbines specifically. There had been 735 kV breakers which are unique and the second highest operating voltage in

North America. A lot of those have been replaced over the years, along with transformers.

It is a continuous effort. Capital replacement is a standard part of any plant and program that you build right now. It's the same as your house. You have to do maintenance or it will fall down around your ears.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Mr. Speaker, I would like to know, in Mr. Haynes's experience, keeping a hydro plant of that age, does the reliability get cheaper or more expensive over time?

SPEAKER: Mr. Haynes.

J. HAYNES: Well, I mean, there's a higher expense just because of the time and higher wages and higher material and so on, but if you maintain the asset and spend the appropriate amount of money on it for asset management – I don't mean asset management in the terms of financial assets, but from a physical asset point of view, you can make that last a long time.

I have no misgivings that the Churchill Falls plant will be there in 50 or 100 years. I mean, the infrastructure does require service. The tunnels require services. The dikes and dams require it. As long as that is first and foremost in the minds of the operators and the maintainers, and we did engage – and I'm sure they still do – experts in the field of dikes and dams and concrete and rocks and so on – when I say rock, because it's underground – to provide the appropriate advice to maintain that asset.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Again, to Mr. Haynes, under the 1969 contract, does the price Hydro-Québec pays go up when the cost of running the plant goes up?

SPEAKER: Mr. Haynes.

J. HAYNES: No, it did not. The contract was – I won't say fixed, in the sense, but it started off with roughly 3 cents and it declined – I forget the years, but there were certain years it would actually step back. In 2016, it went to 0.2 cents and that is it. There is no process to go back and get the off-takers, if you will, being Hydro-Québec and Newfoundland and Labrador Hydro, to pay more because we had to replace a \$3 million-transformer or whatever. We had to live within our means.

That was a challenge, that was always a concern and a concern, especially when we start talking about this, that we have a mechanism to put those costs to the off-takers, be it Hydro-Québec or Newfoundland and Labrador Hydro, or whomever.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker, and again to Mr. Haynes.

Mr. Haynes, if this DCIA weren't to go forward, would it be safe to say that any future upgrades between now and 2041 would be on the backs of the taxpayers in Newfoundland and Labrador?

SPEAKER: Mr. Haynes.

J. HAYNES: No, firstly, they'd be on the backs of CF(L)Co and challenging whatever dividends they could do, which would be pretty limited if at all. I think if I recall correctly – and I stand to be corrected, maybe by Michael, but I believe in the agreements, the shareholders' agreement, we have the right to put the money in – we being Hydro/government. I think in the old

agreement Hydro-Québec would put the money in and actually gained higher ownership, which the shareholders' agreement took care of.

But I do think that for the next 15 years, we've already started a runner replacement program, which needs to continue, particularly for one vendor of the runners, the Dominion units. The transformers, some people say transformers last 35 years; we're getting 50 years out of some of these shells that we have there now. I think it would be a pretty high risk they will be expending a lot of money in the next 15 years. And I would add that the upgrades will replace a lot of that equipment.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

I'd just like to go back to part of the questioning that the Member for Cartwright - L'Anse au Clair had earlier. Does anyone on the panel up there now know what year the subsea link began construction across the Labrador Island Straits?

SPEAKER: Mr. Haynes.

J. HAYNES: I can only say, I left in 2013 and it hadn't started, so it was sometime after that but I'm not sure when.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

I believe it was 2016, if I'm correct, but I could be corrected, too.

Mr. Speaker, the panellists said that they have received the information they had requested. They had all kinds of meetings with the negotiating committee. They met with the negotiating team, outside independent legal advice. They also had meetings with, not only the experts we

hired, but the experts that were utilized in the previous MOU in Power Advisory and J.P. Morgan. They had very fulsome accountability and access to the information they required during this process and they supported this unanimously.

Were there any questions that you had asked or any concerns that you had asked that never got addressed?

SPEAKER: Dr. Loomis.

C. LOOMIS: Mr. Speaker, not that I'm aware. Certainly, speaking for myself, I was satisfied that everything that we asked, we received. We didn't always like the answer, but the facts were given to us and we based our decisions on that information.

SPEAKER: Thank you.

The hon. the Member for Energy and Mines.

L. PARROTT: Mr. Speaker, I believe it's a 14-member board; currently has 13 members. Are all the members of the board – were they active during this 10-week process?

SPEAKER: Dr. Loomis.

C. LOOMIS: Absolutely, there was full engagement and full participation from every member of that board.

I can assure everyone in this House and everyone in the province that we take our responsibility very seriously. The scale and the importance and the significance of this is unlike anything I've seen since I've been on this board and I'm pretty sure that's probably true for everyone on the board at the moment. That has not been lost on any of us. We've done our due diligence and our best efforts to arrive at the most rational conclusion that we can.

SPEAKER: The hon. the Member for Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Can you just explain what that conclusion is?

SPEAKER: Dr. Loomis.

C. LOOMIS: Ultimately, the conclusion was that we recommend that Hydro enter into the DCIA and from that, if successful, we would seek definitive agreements with Hydro-Québec to ensure that we can deliver on the benefits that are raised with this opportunity.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

I am just wondering if any of the members of the board would like to say how they feel about what would happen if this doesn't go ahead at this time, what it means to Newfoundland and Labrador.

SPEAKER: Mr. Haynes.

J. HAYNES: I agree with what Mr. Perry said yesterday. I started with Hydro as a co-op student in 1976 and, in 1977, as a full-time employee and I worked in planning. Even at that time, we were looking at Lower Churchill and it was with respect primarily to a DC infeed to the Island.

I am going back now over what I have seen, not necessarily deeply involved in. We have talked to aluminum smelters. We have talked to iron sands people. We have talked to IOC, and I remember asking a former VP of IOC how many megawatts would they want if they had unlimited and don't talk about the price. They were in excess of 1,000 megawatts if they could have what they want for nothing, which is not realistic.

We have talked to a lot of people over those years. We have talked to Hydro-Québec. We have had almost deals. I was in Churchill Falls in 1998 when one of the

previous deals was announced and it did not happen. We had the MOU, which I was quite happy with, that we were going to proceed and we were going to get additional recall power in Labrador, which is critically needed to expand Labrador's industrial development and, i.e., the GDP of the province.

Now we have gone back and, fortunately, there are a few things that are better in this deal but they were both good. This one has, for different reasons, different time, and I do think that if we drop the ball on this, we will not execute a deal.

That is my opinion. I could be wrong. I looked at it this morning before I came in here. Hydro-Québec, sometime in the last year or two, released a thing called action plan 2035 – and I am going to go by memory. They plan a 1,000 megawatts of solar, plus or minus a few – I don't trust my memory. I am not young man anymore.

They have, I think, 1,800 megawatts of energy efficiency, which basically is taking over the hot water boilers in people's home and doing some of the TakeCharge sort of things that Hydro and Newfoundland and Labrador Power are doing. They had 10,000 megawatts of wind and they had 4,800 megawatts or so of hydro upgrades and development.

They are not going to wait for Newfoundland and Labrador. I think we have an opportunity and I think we have to act that. That is my personal opinion.

Thank you.

SPEAKER: Dr. Loomis.

C. LOOMIS: I would just add to this by saying that, at the moment, we have a concurrence of interest. Quebec is very much in need of planning for and securing its energy future. We do as well, of course, but we also have an interest in overturning the debacle of the '69 Churchill Falls

agreement to the extent we can. You have a federal government that's, not only interested, but is committed or is about to commit significant amounts of money to make all this happen.

These things don't happen by accident. They're unlikely to be repeated. Like Mr. Haynes, I'm afraid that if we decline this opportunity, it's not going to repeat itself anywhere down the road and we will regret it in the long term.

SPEAKER: Okay.

The minister's time has now expired.

The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Speaker, and thank you all for being here today. I appreciate your time and your efforts on the board and at NL Hydro.

I have notes from the last little while so bear with me. Just to follow up on some questions by the minister about the cost of maintenance and then I think he followed up with, essentially a line of questioning that it would be important to do this deal to make sure there's enough money for the maintenance.

But surely the decision of the board is not based on maintenance and just getting money in for a quick cash injection now. I'd be really disappointed and surprised if that was the case. So I guess I'd ask the board to comment on that.

SPEAKER: Mr. Haynes.

J. HAYNES: Certainly that's not the only reason to do this. The question was about maintenance and the cost of maintenance. I don't think CF(L)Co will struggle to pay its bills, but that's a CF(L)Co board issue as opposed to this particular issue. It's just a side benefit of it all.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: I just want to talk a little bit about, briefly, the 2024 MOU. I believe you said you were all on the board, I think Dr. Loomis said for almost a decade and I think Mr. Haynes said 2023. So you would have been there to vote on the 2024 MOU. I assume that's accurate.

SPEAKER: Dr. Loomis.

C. LOOMIS: The only change on the board since 2024 is there was a new chair appointed to the board this June. Otherwise, all members of the board are the same.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: (Inaudible) I think, from my recollection, and there's been a lot of questions and a lot of information and statements and opinions expressed on the 2 per cent escalator in the Gull Island financing from 2024. I think it goes without saying that that would have been part of the package that you voted on in 2024, the 2 per cent escalator would have been part of that yes vote. Is that correct for both of you?

SPEAKER: Dr. Loomis.

C. LOOMIS: That is correct.

SPEAKER: Mr. Haynes.

J. HAYNES: Correct.

J. HOGAN: Thank you.

I meant to ask this first: Are we able to get a copy of the Churchill Falls upgrade pricing model, similar to the one that was provided for the Gull Island pricing model late last night?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Newfoundland and Labrador Hydro, I believe, does have that pricing model available.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: I would hope they would have it available and I would ask if they can provide it to the Opposition.

SPEAKER: Mr. Ladha.

M. LADHA: We can certainly make that available should it want to be tabled in this House. Absolutely, yes.

SPEAKER: Okay.

The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

The Minister of Energy, just briefly after you all sat down this afternoon, tabled a document that says Churchill Falls Agreement Gull Island Development. Speaker, I guess I'd ask the invited guests if they've actually seen this document before?

SPEAKER: Mr. Ladha.

M. LADHA: I'm sorry, Mr. Speaker, could you repeat the question, please?

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: The Minister of Energy tabled, just as you sat down this afternoon, a document entitled Churchill Falls Agreement Gull Island Development. I wonder if the invited guests have seen this document before?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I'm not aware of that being provided to the Board of Directors. I'm not entirely sure what specific document you're asking about, but if it's materials that have been created by government for public communications purposes, not all of that has been provided to the Board of Directors. I'd need to know specifically what it was.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Speaker, I totally appreciate that. I know what it's like to have to ask questions without having documents. It's quite frustrating.

This document on the bottom of page 3 actually has Newfoundland and Labrador Hydro on it. So perhaps, Speaker, I'm going to suggest we take a recess so the invited guests can review this and then we can ask questions about it.

SPEAKER: Are the other Members agreeable to do that? I was going to request a recess in a half hour, but we could take it now if it's the concurrence of everybody.

L. PARROTT: I'm fine with that.

SPEAKER: You're fine with that.

Okay, we're going to take a brief recess, we'll say 10 minutes.

The House is now in recess.

Recess

SPEAKER (Lane): Order, please!

We're now going to continue where we were and the Leader of the Official Opposition still has 10 minutes and 35 seconds on the clock.

The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Speaker.

The invited guests have seen the document; can they comment on whether they've seen it before or is this their first time seeing it?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The document, as far as we can tell, is a summary of the Gull Island development as is contained in the DCIA. So while the board would have not seen this specific document in this format before, all of the information that is in here has been provided to the board, as it has considered and reviewed and approved entering into of the DCIA.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

I guess Mr. Ladha can confirm – he's obviously read through it and he's confirming that the board has seen all this information in there previously throughout the last number of months.

SPEAKER: Mr. Ladha.

M. LADHA: I have not read every word in the last 10 minutes but generally, yes, everything that's contained in here, the board is aware of.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Generally and I won't hold him to any specific words or terms or anything like that, that's fine. I appreciate that.

Maybe someone from the board, or Mr. Ladha, can confirm – on the last page it does have Newfoundland and Labrador Hydro logo on the bottom right corner – the protocol of the board approving any document that goes out in conjunction with the Government of Newfoundland and Labrador, which the logo is there as well.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Speaker.

The board's oversight role would not extend to what I would consider a management decision in issuing communications or other explanatory materials based on information that they've already seen and approved. That would be a management-level decision that wouldn't rise to the Board of Directors level.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Speaker.

Just to confirm the board at no time approves any public communications such as documents like this or TV ads, radio ads or Facebook posts, et cetera, et cetera. That would all be approved by management. Is that correct?

SPEAKER: Mr. Ladha.

M. LADHA: Yes, Mr. Speaker, that's correct.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Earlier you were asked about your political role and the answer, which everyone appreciates was you have no political role, you're a non-political entity as the board, I appreciate that.

I would ask, how does the board feel about the fact that with Newfoundland and Labrador Hydro on this document it also has, in the bottom left, "a better deal for all of us," which was a slogan during the Progressive Conservative 2025 general election campaign, which would be a very political slogan, now in conjunction with Newfoundland and Labrador Hydro's logo which certainly someone could see that as a crossover, that Newfoundland and Labrador Hydro would be political?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Again, in terms of communications that are released by the government, which I believe this was, notwithstanding that it contains Newfoundland and Labrador Hydro's logo, as it contains information that would have been provided by Newfoundland and Labrador Hydro, the board does not have a role in that. That's simply not a decision that the board would be required to make or be apprised of.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Speaker.

The board has a duty, as you talked about, to act in the best interest of the company. Does it give the board any unease knowing that there was a political logo attached to Newfoundland and Labrador Hydro's logo?

SPEAKER: Dr. Loomis.

C. LOOMIS: I guess my response would be, Mr. Speaker, that we are a Crown corporation. Our shareholder is the people of this province who are represented currently by this government, and when we are asked to provide information to them, we do so accordingly. It's not our determination as to how that's deployed, or at least the purposes for which it's deployed, as long as the information is accurate.

I guess that's probably the best way that I can answer the question.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Mr. Speaker.

I just want to clarify. My colleague from Cartwright - L'Anse au Clair had asked a question about the price that Hydro-Québec

is paying as a result of the 2026 agreement which was 5.5 cents – this is from what Hydro-Québec is saying – compared to the 2024 deal which was 6.0 cents. The Minister of Energy and Mines was asking about 0.2 cents. To be clear the Member for Cartwright - L'Anse au Clair was not asking about how much Hydro-Québec is paying from 1969.

In any event, the answer was essentially that the board would not be concerned with what Hydro-Québec is paying. It's concerned with the deal as it pertains to Newfoundland and Labrador Hydro, but I guess I would ask, wouldn't what Hydro-Québec is paying being the basis for negotiations in the sense that you want them to pay as much as possible and you would have had a target about how much you think they would afford to pay. That would be your target in terms of negotiations and where you want to get.

I think it will be troubling to Newfoundlanders and Labradorians to hear that during negotiations Hydro-Québec's payments were not taken into consideration.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Perhaps I can clarify. What Hydro-Québec is paying specifically for Gull Island and Churchill Falls is, in fact, set out in the DCIA. It's very clear the payments that Hydro-Québec are making to CF(L)Co. I don't believe that's in dispute. I believe what's being discussed is then what Hydro-Québec might say it's net cost is when it does things like factor in its dividends that it's receiving from both of those developments, the global cost of supply from Labrador, but the cost that Hydro-Québec is paying to CF(L)Co and to Gull Island, Gull Island less so because it depends on the ultimate capital cost, but certainly CF(L)Co is explicit in the DCIA and not up for debate.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you for that clarity.

I'm sure you're familiar with the legislation and the objects of the corporation. Just briefly, 14(1) is the objects of the corporation in accordance with these priorities, and (a) would be to develop and purchase power on an economic and efficient basis. I would suggest that's what is being done here. And (b) would be to supply power, at rates consistent with sound financial administration, for domestic, commercial and industrial uses in the province.

I would read that as (b) making sure that ratepayers in Newfoundland and Labrador are looked after and (a) the ability to develop, purchase power on an economic and efficient basis, which, as I said, we're talking about here is my suggestion.

Newfoundlanders and Labradorians I think sometimes may want an explanation about how this deal will affect their rates. I wonder if you could explain to Newfoundlanders and Labradorians how you act in the best interests of the company and blend your obligations under (a) and (b) of section 14.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

As it relates to ratepayers for Newfoundland and Labrador specifically from Churchill Falls and Gull Island, I don't know if I'm answering the question, but the Interconnected System in Labrador is currently supplied exclusively from Churchill Falls. The 0.2 cents that Hydro-Québec pays, Newfoundland and Labrador Hydro also pays that to CF(L)Co and that is then factored into the rates that the Labrador Interconnected customers pay. Just by virtue of the CF(L)Co price going up, again, Newfoundland and Labrador Hydro will purchase from CF(L)Co at the same price

as Hydro-Québec, so that 0.2 cent power will be no more.

We've talked about the escalation that is contained in the CF(L)Co PPA starting at 1.8 cents, escalating annually at an average of 14 cents to 2042 and 2.6 per cent thereafter. That will inevitably form part of the rate discussions for customers predominantly in Labrador because there's not capacity on the Labrador-Island Link to get that supply to the Island. All of that rate design is still subject to oversight and approval of the Public Utilities Board during Newfoundland and Labrador Hydro's general rate applications.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Speaker.

I'm just going to go back to some questions earlier asked by the Member for Harbour Grace - Port de Grave about the negotiation strategy which was approved by the board and the Independent Review Committee report, which I understand, correct if I'm wrong, it's the same thing that the chair of the Oversight Committee said, was that the negotiation strategy would've been more guided negotiations, of course, as opposed to the IRC, but the IRC clearly formed part of the framework.

Did the board address the IRC in any meetings directly and review how many of the IRC recommendations were met?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The board of Newfoundland and Labrador Hydro was not engaged directly with the IRC. It is correct that it's been stated here that the IRC report was an input into the negotiating strategy, which was approved by government and then approved by the board, which was the document that guided

the negotiating team throughout the process with Hydro-Québec.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: We've heard a little bit of different information about the market-based pricing and I think it's clear in the IRC the recommendation to drop it. We've heard that it was still part of the negotiations and it became clear very early on that it was going to be difficult, if not impossible, to agree with Hydro-Québec on a formula.

We also heard a different story from the chair of the Oversight Committee that it was part of the negotiations but it was given up, not because it was difficult to achieve, but because it was given up in the normal course of negotiations. So two different stories there – given up in the normal course, given up early because it was complex. Does the board have any insight into which version is accurate?

SPEAKER: Mr. Haynes.

J. HAYNES: I'm aware of the details. Every negotiation there is a give and take and everybody has their wishes and desires and bottom lines, so that's all I can say. Sorry.

SPEAKER: The hon. the Leader of the Official Opposition.

You're done? Okay.

J. HOGAN: (Inaudible) 5 seconds.

SPEAKER: Okay. You could have asked your question.

The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Speaker.

So now, looking ahead, I'd like to ask, first of all, Mr. Ladha and then the directors, has

the board thought about the next steps for identifying risks while the definitive agreements are signed?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

So in my role as corporate secretary, we have not put forward the detailed plan yet to the Board of Directors in terms of how the definitive agreements will work in terms of providing information to the board so that it can fulfill its oversight role. However, I think it's fair to say that we would continue in much the same way we have with the DCIA in terms of having meetings with them to update them on the progress of negotiations, the drafting of the agreements, any deviations or new risks or mitigations that might arise. So I don't foresee it being significantly different, from the board's perspective, than it has been throughout the negotiation of the DCIA itself.

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you, Mr. Speaker.

I would simply add that we were, as a board, very comfortable with the process that we used to get us to this stage, which is recommendation of the DCIA. We will, I think, follow that in the next step, if we get that, with regular review and discussion and analysis of the definitive agreements as they come forward.

I think where additional steps might be necessary, we will certainly recommend those and ensure that we have that in place, if required. But the details have yet to be determined.

SPEAKER: Mr. Haynes.

J. HAYNES: If I could add, the DCIA – and pardon my pun – there is a lot more cement poured in the basement already because a lot more things have been settled. So yes, there is a lot of negotiation to do but some

of the hard things have been achieved from my perspective, and I can't list them.

That is the basis, it is a longer document and there are more things settled. I think that is a positive for going forward. I think the risk is less.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you.

I would ask this question of Mr. Ladha. What approvals would the definitive agreements need before they are signed, whether from the board, government or anyone else?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The definitive agreements will require approval by both the Newfoundland and Labrador Hydro Board of Directors, by, in certain cases, the CF(L)Co Board of Directors and the provincial government.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: I would ask this question of the directors. How often will the board be updated during negotiations and will it have enough time to review the final agreements before approving them?

SPEAKER: Dr. Loomis.

C. LOOMIS: As per my answer a few minutes ago, I think we intend to follow much the same process, including time frames and time tables. We will certainly make it imperative, if necessary, to management that we will need the time and effort to look at this carefully and bring forward an appropriate recommendation.

But I am not anticipating that that will be a problem because we had no problems in this first phase of the process.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: Thank you, Mr. Speaker.

I would also like to ask this question of the directors. Has the board thought about how the agreements will be implemented? Has there been any thought gone into that, and what role you see you, as the board, playing here?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

What hasn't been discussed here today is an additional subcommittee of the board that exists to oversee Newfoundland and Labrador Hydro's major projects. That committee was struck mainly for the major projects in the regulated realm that Newfoundland and Labrador Hydro is pursuing at Holyrood and at Bay d'Espoir, but once the definitive agreements are signed, then we have another major set of projects in Labrador that required ongoing governance and ongoing scrutiny by a subcommittee, I would suggest.

So while it hasn't been specifically determined, I would anticipate that the board would be updated, either through the Major Projects committee or the Churchill River Assets committee may continue so much the same process during construction and development of the project in Labrador. Oversight of the board will still be critical during that process.

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you, Mr. Speaker.

If I could just add. I think the board is certainly aware that should this come to

fruition, there is going to be some major adjustments required, both at the management level for Newfoundland and Labrador Hydro to take responsibility for these major projects, as well as keeping the lights on, as we do every other day, and that will be subject to scrutiny and consideration and recommendations by the board.

SPEAKER: The hon. the Minister of Justice and Public Safety.

H. CONWAY OTTENHEIMER: That completes the questions I have, Speaker.

I would like to thank the panel for their public service.

Thank you.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

I just have a couple of questions here in this round. I want to speak about Lab West, the power and the mines and the power needed to modernize existing operations in Western Labrador. If I cross over from the board to another level where those questions should be, I know they will let me know.

When is the new transmission line expected to be established and how much power will it deliver?

SPEAKER: Mr. Haynes.

J. HAYNES: Studies and final cost analysis is being done now from information that was provided to the board. I'm not exactly sure of the date, but I know that the proposal is to build a 735-kV line and that can deliver whatever Labrador West needs, absolutely.

There are two 230-kV lines there now that are limited. There is no room for any expansion of any consequence whatsoever. In fact, I think they have to go to the Public Utilities Board for 200-kilowatt business

loads or something like that; maybe not residential.

It is a challenging project, it is an expensive project, but a 735-kV line can deliver 2,000 megawatts. You have to look at reliability and how it's done, but it will serve all that Labrador West needs, along with the existing two lines.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The current anticipated date of commission of that line is 2032 and that coincides with the availability of the first large new block of power from Churchill Falls that becomes available to Newfoundland and Labrador Hydro because, of course, we don't have the transmission and infrastructure available to transmit that new block until that date. So those two things were timed together.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

My next question is, what are the estimated costs and funding sources for this project?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The estimated cost of the Labrador transmission line, it's \$2.6 billion currently that's contained in the public information document that is available on the government website. In terms of the sources of funding, we've heard over the last couple of days that there's a significant source of funding from the federal government.

The remainder of the source of funding is yet to be determined with precision, but it would be funded through a combination of Newfoundland and Labrador Hydro and its customers, including predominantly the

large industrial customers which are the main reason driving the build.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker, and I thank the member for the answer.

Will the cost of power for industrial users in Labrador West change?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The Labrador Industrial Rates Policy is a policy of government, so the exact rates to be charged to industrial customers in the future have yet to be determined. So I can't answer that question with a simple yes or no.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

I wonder if the panel would know when Kami will be in a position to receive power and perhaps what is the current status of their planning?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

That level of detail would not have been provided to the Board of Directors at this point, nor do I have it available. But Newfoundland and Labrador Hydro certainly would, other people in the organization through its conversations with that development.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you. I can appreciate that answer, Speaker.

In the '24 MOU, rate protection for Labrador Interconnected System users was built in and I'm just wondering has that changed or is that still in place under the DCIA?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Again, I would have to defer that and say that it was in 2024, and it continues to be today, a public policy decision to be made by the government. We have heard about the 15 per cent rebate that is planned. But as to the specifics of what has been committed to for Labrador customers, Newfoundland and Labrador Hydro doesn't have that information available.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

Yesterday – I think it was yesterday – Mr. Perry indicated there was a block of power to support the NORAD modernization and Northern Basing initiative, which was announced in April, that was about \$8 billion. I wonder, can you provide clarity on how much power will be available to support this project.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Yes, that number has been disclosed publicly again in the technical briefing deck. I'm looking at it here now in front of me. It's 25 megawatts. It will start in 2028, into 2029, into 2030 and in 2031 it grows to 50 megawatts.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you.

Can the member tell us whether there will be any additional power for Upper Lake

Melville to prosper and sustain an economy in their future?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Similar, I think, to the answer that Ms. Williams gave yesterday, the numbers that I just quoted are not specifically all allocated to DND. I believe there is allocation in there that would support community growth. The exact numbers that are provided to exact customers, I don't have that information.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

I'm just going to leave the rest of my time in the bank. I don't have any further questions at this time.

Thank you.

SPEAKER: Okay.

Anybody on this side?

We have no more questions for the panellists?

J. DINN: (Inaudible.)

SPEAKER: Oh sorry, I certainly didn't mean to exclude you, Sir.

The hon. the Leader of the Third Party.

J. DINN: Thank you. It's not the first time.

SPEAKER: I would never do it intentionally, I can guarantee you.

J. DINN: Speaker, I'd like to ask Mr. Ladha if J.P. Morgan informed him or the Newfoundland and Labrador Hydro board members, that the 2 per cent escalator clause in the 2024 MOU was not their preferred choice?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

J.P. Morgan would have notified Newfoundland and Labrador Hydro specifically, the executives and the staff that were dealing with J. P. Morgan. I don't believe that J. P. Morgan spoke directly to the board in 2024 as they did this time around, but that information would have been conveyed by Newfoundland and Labrador Hydro management to the Board of Directors at that time.

J. DINN: Thank you.

SPEAKER: The hon. the Leader of the Third Party.

J. DINN: No, that's it.

SPEAKER: You had one question. Okay.

The hon. the Member for Corner Brook.

J. PARSONS: Thank you, Mr. Speaker.

I wanted to ask a few more questions about the Churchill Falls upgrade project. I was wondering if someone on the panel could – first of all, I guess, we've asked for pricing on this. I know Mr. Ladha mentioned that we know definitively what the prices are here. Could we, I guess, share them? Do we have a ballpark here? Again, this is cost-of-service project, so we're assuming a diminishing return. Is it based on capacity, is it based on the amount of energy, et cetera?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The specifics of what you're asking about, I don't know that it would be appropriate for the board to speak of at that level, given their oversight function. In terms of the costing, I wouldn't agree that we know it with precision. It is ultimately depended on what the capital cost is for those projects,

but Newfoundland and Labrador Hydro certainly has estimates of the cost of the upgrades and the result in price of the upgrades.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Mr. Speaker, I sincerely hope that we do have a pricing model for this upgrade power if we're agreeing to do it because, of course, we know that the debt inequity for this project is being undertaken by CF(L)Co and we're already including \$700 million of capital work that's being done by CF(L)Co.

So, again, do we have, I guess, an idea of the revenues that are coming back to CF(L)Co for that power?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I don't want there to be any confusion. Yes, there is a pricing model that exists for the upgrades, that certainly is the case. As to the specifics in terms of dollar value of what's being returned, I don't have that information here in front of me, but Newfoundland and Labrador Hydro has that information, absolutely, yes.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Again, I really would request that information. We've heard many calls that these projects should be separated and I know they're bundled together right now, Gull Island, the upgrades and the CF project. I know there are reasons why or why not they may go together or not, but I think it's really important, like with the Gull Island project, that we know what the value of the upgrades project is to Newfoundland and Labrador.

Again, I would request that we do get that and table it in the House as soon as possible if we can.

SPEAKER: I'm not sure who can respond to that, I say to the Member. Ms. Williams will be here this evening and she would probably be the appropriate person who could provide that.

The hon. the Member for Corner Brook.

J. PARSONS: Absolutely.

We know that we are able to sell power to Quebec to sell to three external tranches, CHPE, the Champlain Hudson deal, that's a 25-year deal with Quebec; the NECEC, which is a 20-year deal with New England; and as well that synthetic piece. We know prices right now for the next 20 to 25 years for CHPE and NECEC. The Gull Island pricing that was provided looks like it will be too high for Newfoundland and Labrador Hydro to actually sell it for any profit until the 2050s. Is that correct?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The Gull Island pricing model is done on a traditional cost of service basis. To the extent that Newfoundland and Labrador Hydro doesn't consider it a prudent option to supply customers from Gull Island, given the pricing, I remind everyone that Hydro-Québec is obligated then to purchase all of the output from Gull Island during the PPA.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Right, I just want to confirm that we've been told that our solution to market-based pricing are these transmission mechanisms by selling to Quebec, who can then sell to other markets. Can we confirm, I guess, that that option is not available to the Gull Island 432

megawatts until the 2050s, according to the pricing that we have been given?

SPEAKER: Mr. Ladha.

M. LADHA: Mr. Speaker, I'm sorry, I'm not fully understanding your question. If you could rephrase it.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: The pricing that is provided for Gull Island in the estimates starts at roughly 17 cents and goes down to about 9 cents throughout. At some point, that will crossover the line, but it is much lower right now for NECEC and CHPE. So it wouldn't make sense to take any of our Gull power, our 432 megawatts, and sell it to those markets. Is that correct?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I'm not sure if I'm answering the question but I would go back to Newfoundland and Labrador Hydro's option to purchase 16 per cent of Gull power. If that wasn't economic to do that for use in province, and I am speculating here, I would suggest that we wouldn't exercise that option at all and Hydro-Québec would in fact be purchasing the full output of Gull Island.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Thank you very much.

Yes, and I guess that's a confirmation that we can't have our cake and eat it too. This power will not be available to resell at a profit right now. The best option will be to just let Hydro-Québec have it. That's correct, right?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Again, I would just go back to Gull Island, the structure of the pricing model is that, in the event that Newfoundland and Labrador Hydro decides not to purchase Gull Island, perhaps because it's not economic, that Hydro-Québec will be purchasing the entire output of the plant for the 50-year PPA in that case.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: I noticed in this new piece that was just tabled talking about the features of these deals. For the Gull Island deal it talks about lowers electricity costs. Who does it lower those costs for?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Could the Member please point me to exactly where in the document that is contained?

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: In the white balloon on the bottom of page 2.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Again, having not reviewed this document in detail, I would presume that is in reference to the traditional cost of service model for Gull Island, which has been established here, is a declining price structure which has been recommended by Hydro, its board and its experts.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Again, I would ask, who benefits from lower electricity costs in the case of Gull Island?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Both Hydro-Québec and Newfoundland and Labrador Hydro benefit from that to the extent that both are purchasing power from Gull Island.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: How much power is being purchased by Hydro-Québec?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

They are entitled to 84 per cent of the output of Gull Island. Newfoundland and Labrador Hydro has an option to purchase 16 per cent of the output for Gull Island.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Thank you.

Again, I asked earlier, Jennifer Williams mentioned the amount of energy for the upgrades project is fairly small, it's about 1 terawatt hour, and we're increasing the capacity there by about 1,275 megawatts. Obviously, that is a very low-capacity factor compared to the Churchill plant. The Churchill plant, in the documents provided with the DCIA, say that it has a capacity factor of about 70 per cent. This would be substantially lower than that.

Do we know if the price that is being paid for that power has to do with the capacity pricing or the energy pricing?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I don't necessarily have the technical background, but I think it's been established

that the Churchill Falls upgrades are predominantly a capacity project. Yes, that is correct.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Again, do we have any number at all? We know, and I think it was referenced earlier by Mr. Ladha, that this is a \$4.8-billion estimate for the capital improvement here. So do we have a net present value revenue for that project?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Yes, we do, and I believe part of what the Member is asking for is the pricing model that has been committed for those upgrades.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Can I have it?

SPEAKER: Mr. Ladha.

M. LADHA: Again, Mr. Speaker, thank you for the question.

I don't have that model in front of me. Newfoundland and Labrador Hydro has it and can provide it this evening, I would assume. I'm not familiar with the specifics of how that gets tabled in this House.

SPEAKER: Again, that's one for Ms. Williams, I guess. I'm assuming.

The hon. the Member for Corner Brook.

J. PARSONS: Let me see here. I've got a ton. I'm just trying to pick out my favourite ones.

I don't know if I have anything else here right now.

Thank you very much.

SPEAKER: Do we have any other questions?

The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

I just have three more quick questions. I'm wondering, does Hydro have any analysis on how much of the 720 megawatts will be needed for the developments in Labrador?

SPEAKER: Mr. Ladha.

M. LADHA: Yes, Hydro has information – I don't have it in front of me – in terms of what the anticipated loads are in Labrador, and it's worked with the province's department of Economic Development on that from the industrial customers. I don't have that in front of me.

I'm not clear on the Member's question as to how that relates to the transmission access that's available.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Okay, thank you, that's fair.

I was wondering, Speaker, if Hydro had done any analysis on how much of the 720 megawatts will actually be sold to Hydro-Québec at the negotiated US market rate, which is why I had asked the first one.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

As has been stated by the negotiating team, it is our hope at Newfoundland and Labrador Hydro, and I think the province as well, that all of the entitlement of power that we have secured from these developments is sold in province and not to Hydro-Québec. That's been stated numerous

times that we believe that delivers the most economic benefit to the province as a whole.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker, and I thank the member for the answer.

One quick coastal question again. Can NL Hydro, at the board level, explain what would have to change for the coastal communities currently dependent on diesel to receive electricity rates comparable to communities on the Labrador Interconnected System or does that remain a government decision?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I don't believe that's a question at that level of detail that's appropriate for the board, but the rates policies are a combination of rate-setting procedures that are done at the Public Utilities Board and public policy in terms of the rural rate subsidies and those sorts of things.

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

My final question for the board is, I'm wondering if they were satisfied with the amount of power for Labrador in the 2024 MOU, given that they had voted at that time in support of it?

SPEAKER: Dr. Loomis.

C. LOOMIS: Well, the very fact that we voted for it at the time would indicate that we were. I would simply point out that circumstances under which these negotiations have taken place and have resulted in the DCIA are substantially different than what we had in 2024.

I use the words “the best achievable outcome” earlier in my remarks and I think in 2024, we had at that time what we thought was the best achievable outcome, but circumstances have changed, the whole geo-global environment around energy, energy evaluation, security of energy and so forth has changed and that, of course, has prompted the federal government to get involved very heavily in this.

We have, I think, availed of a new set of opportunities with this agreement to add power and avail of transmission and add value that simply wasn't there in 2024.

So to answer your question, at the time, yes, but circumstances have enabled us to improve on that and that's why we are recommending this agreement.

SPEAKER: The hon. the Member for Mount Scio.

S. STOODLEY: Thank you, Speaker.

Thank you to the board members for being here today.

I had a few questions. Firstly, I am wondering if the board received a risk matrix before they approved the DCIA and if the board can tell us what were some of the major risks?

Thank you.

SPEAKER: Mr. Haynes.

J. HAYNES: I don't recall a specific risk matrix, but I would add a couple of comments.

I had said before that an actual partner for us to develop the Lower Churchill is Hydro-Québec, which I firmly believe, and there are a lot of reasons for that. A lot of them have to do with risk. Specifically this PPA, Hydro-Québec takes all the hydrologic risk and I know there's lots of controversy whether it's up or down or sideways with

respect to climate change, but Newfoundland and Labrador Hydro's load and the recapture that is in this agreement, we are first out of the plant, both plants.

I recall from memory, so I might be off by a terawatt hour or two, but in looking over the data from Churchill Falls when I was there, we had years where we only had 23 or 24 terawatt hours of annual production because it was a drought. We also had years when there were high thirties, too.

All this recapture that we've got here is totally hydro, first out of the plant. So if there was a catastrophic drought or if there was a catastrophic failure of an asset, where we couldn't deliver, we are first out, which I think is a big risk mitigation strategy for provincial load and provincial customers in Labrador.

The other one is construction risk, as we all heard or understand that Hydro-Québec are taking the construction risk which is great and cost overrun risk which we can choose to participate in or not, but if you're going to construct a facility like Gull Island on the Lower Churchill, you have to have a tremendous co-operation from the upstream and downstream plant facilities.

Now, Muskrat is under our control, that's pretty easy, we can get co-operation from Muskrat Falls. Co-operation from CF(L)Co, if Hydro-Québec are not a partner, will be more difficult because we are going to require water management when we fill the reservoir. We're going to require discharges from CF(L)Co that may be unique and not the kind of normal operating procedure. When we do the upgrades at Churchill, we're going to require multiple outages and not have penalties or loss income from Hydro-Québec. Those things are all contemplated. We're going to have equipment outages to facilitate all this interconnection.

The last one I'll just mention is the water management agreement is a great tool. I

know in the past there's been lots of controversy about the water management agreement and you win a few, you lose a few. With Hydro-Québec as a partner, that will function properly. It doesn't matter where the electrons or the electrical energy comes from, I should say. It's energy accounting. Who generates the kilowatt hour doesn't matter, as long as it attributes the right plant. CF(L)Co can generate for Gull, Gull for Muskrat, Muskrat for either plant. It's just energy accounting. The gurus who look after all that can manage all that, and they do now, but with them as partners on the river, this looks after itself.

There's a tremendous amount of risk mitigation in trying to build a run-of-the-river plant that is essential, and with Hydro-Québec as a partner, it just makes it so much easier and so much more, you know, assured that we're going to end up with a successful plant and a successful construction and operation in the future.

Thank you.

SPEAKER: Mr. Ladha.

M. LADHA: Mr. Speaker, the Member asked about a risk matrix. A risk matrix is one governance tool to convey risks to a Board of Directors. Newfoundland and Labrador Hydro has a very robust enterprise risk management program, whereby it reports on corporate risk to the board on regular intervals throughout the year, but I can say with certainty that risks associated with this file specifically were brought to the board's attention. To enumerate those, as I said earlier, I don't think would be prudent, given that those risks are ongoing, there's negotiation to be completed and that would disclose some commercial sensitivity.

SPEAKER: The hon. the Member for Mount Scio.

S. STOODLEY: Thank you, Speaker.

Just for anyone watching or listening, this is our second-last opportunity to ask different groups of experts' questions, and we also have a certain amount of time. So I guess on the Opposition side, we're just trying to make sure we get all of our key questions and we save some time for later tonight. So that's why we're a bit jumping around because we're trying to save time and trying to get all the right questions in.

I guess my final question, then we're going to someone else, I know the IRC recommended changes to the Hydro board oversight for the future. Can you confirm that the changes from the IRC were implemented for the DCIA, please?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I can confirm, again, as we've said, that the IRC report was taken very seriously by Newfoundland and Labrador Hydro and the Board of Directors. I can list four specific changes that were implemented this time around at the Board of Directors' level, as compared to the 2024 MOU.

The first, which has already been discussed, was the appointment of Maureen Ryan, KC, as chair, back in June, so that's change number one.

Change number two is that the Board of Directors met with the negotiating team members, all three of them, which did not happen in the 2024 MOU, so that's change number two.

Improvement or change number three, which I think is critical, is that the board of Newfoundland and Labrador Hydro, as we've said here today already, was afforded the opportunity to meet with Hydro's experts on two different occasions and, importantly, was able to question them in camera, so without any management present, during those two meetings.

The fourth one was that the board of Newfoundland and Labrador Hydro met with our director of Internal Audit to discuss a governance review that she had undertaken as it relates to this file and as it relates to improving governance at Newfoundland and Labrador Hydro generally into the future, which we will continue to work on.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Thank you, Mr. Speaker.

I just had a few questions about the exports for Newfoundland and Labrador Hydro. I understand there were significant exports in 2025. How much energy was exported in 2025?

SPEAKER: Mr. Ladha.

M. LADHA: Mr. Speaker, I don't have that specific information in front of me. My colleague in the back of the room is the expert on that, so we can provide that. We would certainly have it available; we just don't have it with us here at the table.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Thank you, Speaker.

Just a more general question, I guess. Can the group tell me how we currently export power, not including Hydro-Québec and Emera?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Yes, generally we export power over two different routes. We export power over our 265-megawatt direct booking through the Quebec system into markets in the US and we export power over the Maritime Link into the Mainland through that route as well.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Again, going back to 2025 annual report, it does have some data there for the amount of power on export markets and the amount of power. The price that is indicated has an average export price, a realized export price and a realized export price in Canadian dollars. It says that the Canadian export price for the last three quarters averaged, I think, \$104 per megawatt hour, so 10.4 cents per kilowatt hour. Does that sound correct?

SPEAKER: Mr. Ladha.

M. LADHA: Mr. Speaker, thank you for the question.

That's not a detail that the board would be able to answer, nor is it in my area of expertise. We can certainly confirm that number if the Member wishes, but I don't have the annual report in front of me, nor am I familiar with the specifics of those numbers. So I can't specifically answer that question as I sit here right now.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Thank you, Speaker.

Again, I apologize, I understand that you are not familiar with some of these specifics. Again, we're trying to get this information to understand the value of the products that are in this deal.

This export power is wheeled directly through to the customers. Is that correct? By directly, I mean it's paid for by the end customer, not paid for by Hydro-Québec.

SPEAKER: Mr. Ladha

M. LADHA: Thank you, Mr. Speaker.

I would say generally that, yes, we do sell direct to customers in United States markets

through our direct access booking through Quebec. But we also have additional sales to Hydro-Québec that occur other than in the 1969 contract.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Just, again, to differentiate the products that are mentioned in terms of transmission in the current deal, including to CHPE, to NESAC, to the synthetic market, that kind of thing, those would be paid through Hydro-Québec. Is that correct?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Yes, the three transmission market portfolio options that the Member is speaking about are sales that occur from Newfoundland and Labrador Hydro to Hydro-Québec and then Hydro-Québec will pay us the same price that it gets in those specific markets.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: Just one more thing, I guess. The power that was exported this past year, how important, I guess, was it to the overall revenue and the bottom line for Newfoundland and Labrador Hydro?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I don't have the specific number in front of me but it was a significant number. I can state that with certainty, yes. But if you would like this specific number as it relates to Newfoundland and Labrador Hydro's total net profit, we can certainly provide that. It's probably contained in our annual report, I just don't have that in front of me.

SPEAKER: The hon. the Member for Corner Brook.

J. PARSONS: In this case, I'm speaking more, I guess, qualitatively, as a fraction of total revenues, as an amount of the profitability of the different products you have. Maybe someone else could answer that?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Again, that's not a detail that the Board of Directors necessarily would have. We certainly have that information available in Hydro in our energy marketing department and in our financial departments and we can provide it, but the three of us cannot answer that question with any specificity here right now.

SPEAKER: The hon. Member, you're finished?

J. PARSONS: Thank you, Mr. Speaker, that's it.

SPEAKER: Is there anybody on the government side? No. Okay.

The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: Thank you, Mr. Speaker.

Welcome to our guests today. I appreciate your input here.

Mr. Speaker, I would, first of all, as well say that some of the questions that I will ask over the next couple of minutes, it may seem repetitive, but there is a lot of information going around the room and I just want to make sure that, in my own mind, I am clear on some of the things as we go through this process.

My first question would be, presumably, for Dr. Loomis. Who had the final say on whether or not the DCIA was signed back in August?

SPEAKER: Dr. Loomis.

C. LOOMIS: Mr. Speaker, the board voted unanimously to recommend that Hydro enter into the DCIA. That is probably the best way that I can answer the question – as a board.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: Thank you, Mr. Speaker.

But the board won't be the final say on whether or not agreement was signed, the DCIA?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

There are, I think as we discussed here today, multiple approvals required for Newfoundland and Labrador Hydro to enter into the DCIA. The board approval is required; approval of the government is also required, given that Newfoundland and Labrador Hydro is a Crown corporation.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: Thank you, Mr. Speaker.

Then I would suggest or ask that while the board has approved it, obviously, they do not have the final say. Ultimately, it is the Premier who has the final say on whether or not the DCIA was signed. Is that correct?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I believe the question is getting at the interplay between the role of the Board of Directors of Newfoundland and Labrador Hydro and their fiduciary obligations as compared to the role of government in its oversight of all matters that related to the

economy of the province, including the operations of its Crown corporation.

So both approvals are required. It is true that the government would have the ability to direct decision at the Board of Directors. That did not happen here. The Board of Directors approved the deal, as it believed it was in the best interest of Newfoundland and Labrador Hydro. The government also approved the deal, so there was no conflict here or question as to if Newfoundland and Labrador Hydro had permission to proceed with signing the DCIA.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: I thank the guest for that answer, but I guess my question is, even if the board and all the other players who we've heard from this week, the experts who have been here and the negotiating team thought that this was the best deal ever for Newfoundland and Labrador Hydro, it is definitely possible that the Premier of the province could say, no, we are not proceeding with this and that would override everything.

What I'm asking is, the Premier ultimately has the final say on whether or not this proceeds, is that correct?

SPEAKER: Mr. Ladha.

M. LADHA: Yes, that's correct. It is theoretically possible that the government could override a decision of the Board of Directors. That has not happened in this case.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: Thank you.

Not to be too picky about it, but it's not theoretically possible, it can happen. It's not happening here, I'm not suggesting it has, but the Premier ultimately has the final say

on whether or not any of this proceeds. Is that correct?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Yes, that's correct.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: Thank you. I appreciate that.

This is, I guess, for Dr. Loomis or the other member of the board who is here, Mr. Haynes. I know you just addressed this a little bit, but I was preparing for this and wasn't exactly listening. I know you've said it, probably a couple of times through the day. Is it correct that the board was aware of what was in the 2024 MOU and told the government of the day that it was okay to proceed? You did give a stamp of approval for the 2024 MOU?

SPEAKER: Dr. Loomis.

C. LOOMIS: Yes, that is correct.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: Thank you, Dr. Loomis.

Again, just for the record, that was done on the 2026 agreement as well, your board approved this?

SPEAKER: Dr. Loomis.

C. LOOMIS: Yes, we did. The agreement was unanimous.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: Thank you, Dr. Loomis, for that answer.

Some people have stated that these deals are very similar. I would disagree with that. There are some fundamental differences related to both deals – or both agreements I should say, because they weren't final deals.

There was an IRC, Independent Review Committee, report released which was on the 2024 agreement, and some of those recommendations were followed for the 2026 agreement; some of them were not. I heard the legal counsel discuss this. Does it concern you, Dr. Loomis or Mr. Haynes, that a full independent review was not done on the 2026 agreement, the DCIA?

SPEAKER: Dr. Loomis.

C. LOOMIS: I would answer the question, Mr. Speaker, by saying that we have done, I think, our due diligence as a board, consistent with our rules and our mandate. We've made a recommendation. Whether that should be subject to another review is outside of our roles and responsibilities. I can simply say that we are comfortable with the recommendation that we have made, for reasons that we've articulated or tried to articulate this afternoon.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: Mr. Speaker, I'd like to ask the board members as well, does it concern them that – and this has created confusion in the public and, quite frankly, with me as well – the head of Newfoundland and Labrador Hydro strongly advised the government of the day to proceed with the 2024 MOU and is now saying that this 2026 DCIA is good and we should approve it and continue on towards final agreements? How that has created confusion among the public when people who said things in the 2025 debate that we had are now saying something different about a different deal a couple of years later, does that concern you at all?

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you, Mr. Speaker.

As I tried to explain earlier, in 2024, we had what we thought was the best achievable deal under the circumstances. It wasn't able to proceed for reasons outside of our control and there was a decision made to undertake a new set of negotiations around a whole new set of global circumstances and opportunities. From that, we have been able to add, I think, additional value to the deal.

Just like in 2024, we are fully comfortable in saying that with this new deal, this is the way we should proceed. I don't know what else to say.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: Thank you, Dr. Loomis, for your answer. I appreciate it.

I meant to get to this question a little bit earlier. Does it concern the board – and I heard, I think, Mr. Haynes talking about this a little while ago, the expression of puts and takes, which is where in the negotiation things are taken in, things are put back, whatever. That is true for every negotiation, whether you're buying a new car or a used car or doing a multi-billion-dollar hydro deal. It's a negotiation.

One of the things that's different from 2024 is that there is – and Mr. Haynes referenced this, about the water management rights – a member of Hydro-Québec who will now be a part of that water management board. Does that or did that concern you at all that it was part of the new agreement that has been put forward?

SPEAKER: Mr. Haynes.

J. HAYNES: No, it doesn't. I mean, the Water Management Committee comprises of people right now who operate –

obviously, Hydro-Québec being a partner on another major plant on a river, they have a significant interest in both plants. I think it's appropriate that they do it.

The water management is to help all companies do better, to maximize the value of the river.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: Thank you, Sir. I appreciate that, Mr. Speaker.

I'd like to continue on that line. I think for the public who are watching, who don't have as much experience as our panel members here today or others who are part of the negotiating team and the experts who've studied this for hours and hours and our caucus has and I'm sure the government Members have as well – and I've talked about this – is this feeling of mistrust, the fact that Quebec has reaped so much from the Lower Churchill agreement from 1969 that now there is, again, more control being allowed in from the Hydro-Québec side of a resource that, ultimately, belongs to the people of Newfoundland and Labrador.

SPEAKER: Mr. Haynes.

J. HAYNES: At the current time, at least I should say – I can't say at the current time but when I worked at Churchill Falls, we had committees with Hydro-Québec from an operating perspective. We didn't get involved in the politics or the nitty-gritty of difference of opinion. Our job was to maximize and ensure the operational reliability of the CF(L)Co plant but it was an operating committee. There were several for different things and there was nothing but professionalism there.

The Water Management Committee would be a similar thing. They have a goal to maximize the value of the river to ensure that Muskrat can generate for Churchill, Churchill can generate for Muskrat or Gull

and so on. It is an operating entity. I don't think it will affect that there and the people that they will put there will be operating people. They won't be – I'll do apologies, Michael, or anybody else – lawyers. It's an operating entity. It's how do we make this thing work? They're just driving the truck.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: Final question, and it may seem very basic and simple but for the people who are watching and who are following along with this, this, I guess, is for Dr. Loomis. To whom is the Board of Directors of Newfoundland and Labrador ultimately responsible to?

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you, Mr. Speaker.

We are a Crown corporation and our shareholder is the government of the day. So we are accountable to government, ultimately, to our shareholder.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: And when decisions are made at the board level, is it ever considered whatever is done at this level – and obviously you sell this electricity to other people – are the ratepayers ever in that equation or considered?

SPEAKER: Dr. Loomis.

C. LOOMIS: Absolutely, we have an obligation to – we are here to work on behalf of people of Newfoundland and Labrador as a Crown corporation but our accountability is through government. So the answer to your question is, yes, always a matter.

SPEAKER: The hon. the Member for Conception Bay East - Bell Island.

F. HUTTON: I'm good.

SPEAKER: Still nobody on this side?

Is there anybody left on this side?

The hon. the Member for Placentia - St. Mary's.

S. GAMBIN-WALSH: Thank you, Speaker.

Just some questions for clarity. Was NL Hydro involved in any discussions around the 15 per cent rebate on electricity bills announced by the provincial government?

SPEAKER: Dr. Loomis.

C. LOOMIS: No, none that I'm aware of.

SPEAKER: The hon. the Member for Placentia - St. Mary's.

S. GAMBIN-WALSH: Thank you.

Have there been any conversations about consumer electricity prices?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Generally, yes, there have been numerous discussions about electricity prices, not just as it relates to this deal, but it's constantly a concern for Newfoundland and Labrador Hydro, given our legislated obligation to provide least cost, reliable, environmentally sustainable power to the ratepayers of this province. So the answer is yes.

SPEAKER: The hon. the Member for Placentia - St. Mary's.

S. GAMBIN-WALSH: Thank you.

Is there any ability for any of the new power in this agreement to be transmitted to the Island part of this province on the Labrador-Island Link or otherwise?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I'm not a technical expert but I know the answer to that is, no, there is very little ability to transmit any of the power from these developments to the Island portion of this province, given the capacity constraints on the Labrador-Island Link.

SPEAKER: The hon. the Member for Placentia - St. Mary's.

S. GAMBIN-WALSH: Thank you.

Is the NL Hydro board aware of any oversight committee that will see the agreements before they are signed?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I'm not clear if the question is about what has happened in the Oversight Committee that oversaw the DCIA before it was signed or a future process for the definitive agreements?

SPEAKER: Can the Member please clarify the question?

S. GAMBIN-WALSH: Future process for the definitive agreements.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Newfoundland and Labrador Hydro is not yet aware of an oversight process that might be put in place by government as it relates to the definitive agreements.

SPEAKER: The hon. the Member for Placentia - St. Mary's.

S. GAMBIN-WALSH: Thank you.

Would the NL Hydro board be willing to return to the House of Assembly to speak to final agreements before they are signed, if requested?

SPEAKER: Dr. Loomis.

C. LOOMIS: Certainly, if that was the request of the House, I think we would be more than willing to do so.

SPEAKER: The hon. the Member for Placentia - St. Mary's.

S. GAMBIN-WALSH: Were there any shareholder directives related to the DCIA?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

No.

SPEAKER: The hon. the Member for Placentia - St. Mary's.

S. GAMBIN-WALSH: Thank you, Speaker.

That will be it.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Speaker.

Thanks for the speed round; I appreciate everybody hanging in there.

We asked about this a little bit in the technical briefing, so for Mr. Ladha, not a surprise. I want to ask about Exhibit C, Definition of Discriminatory Action. Maybe, Mr. Speaker, I will ask Mr. Ladha to give a brief summary of what he believes or what the board believes are the purpose of this exhibit.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The Discriminatory Action provision in the agreement that the Member is talking about, it has been portrayed in the public as preventing the government from doing something, as an example, increasing water rates in the province generally. That is false.

The Discriminatory Action provision in the agreement does not prevent the government from doing anything. These are common provisions that you see in resource development with other parties that are involved that prevent government from unfairly targeting a certain partner or shareholder such as Hydro-Québec or Newfoundland and Labrador Hydro itself with legislation.

An example of that, that this province has already been through, is The Upper Churchill Water Rights Reversion Act that was attempted in the '80s that the Supreme Court of Canada found was ultimately not within the power of the province to do, as it was a colourful attempt to affect the rights of Hydro-Québec under the current power contract.

These are common. It is not preventing the government from doing anything. It simply says that if the government should choose to unjustly target a specific project and, as an example, it creates water rates to the extent that that is found to be discriminatory as against Hydro-Québec or Newfoundland and Labrador Hydro, both of those parties are entitled to be put in the same position as they would have been had the action not been taken, so compensated.

Again, these provisions are extremely common in resource development. The offshore agreements that this province has with the offshore developers also contain those provisions.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

I agree that it doesn't prevent any government of the day from doing anything, but just to be clear, in the event that a government does do something that meets the definition – and we can talk a little bit more about that later – then under Annex K, Governance Principles, compensation upon an occurrence of a Discriminatory Action, for example, by the Government of Newfoundland and Labrador, can arise.

So it won't prevent a Legislature from doing anything, but in the event that a Legislature does something in contradiction of this section, or whatever it looks like in the definitive agreements, could result in the Government of Newfoundland and Labrador paying compensation to Hydro-Québec.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Yes, that's correct to the extent that that action is found to be discriminatory. That is correct, that the remedy is compensation to put the party that is discriminated against in a no worse off or better off position than it would have otherwise been.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you, Mr. Speaker.

I would ask Mr. Ladha, I don't think it is just sufficient to say whether it is discriminatory because the Discriminatory Action is three-quarters of a page long in the definition, so what you or what someone in the public might hear as discriminatory would need a pretty intense legal interpretation because, as I said, it is a three-quarters of a page definition. Is that fair to say?

SPEAKER: Mr. Ladha.

M. LADHA: Yes, Mr. Speaker.

I wasn't meaning to suggest that it would be a simple determination as to if something

was discriminatory or not. I think it is correct that there would be significant debate between the parties and the government of the day, should that arise at that time, if the action that was being disputed was in fact discriminatory.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

Believe it or not, there are two lawyers actually agreeing with each other.

SPEAKER: Now if only we could see two politicians agreeing with each other.

J. HOGAN: It might not sound like it, but we are.

Thank you, Mr. Ladha.

One part of the Discriminatory Actions definition – I think you might have the document there with you – as you said, if it discriminates against the other entity. But it does say in each case compared to other persons to discriminate against someone, so you need at least one other person to compare it to, compared to other persons carrying on similar businesses or activities in the applicable jurisdiction.

So I would ask who would be a similar business or activity, similar to Hydro-Québec in Newfoundland and Labrador?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Newfoundland and Labrador Hydro has the exclusive right to sell power in this province, so the comparator there, I believe, would be Newfoundland and Labrador Hydro. I can't project what a future discussion about discriminatory action would look like. If there would be evidence brought in about other Crown operators across the country, I mean, I can't guess at that. But the

comparator for Hydro-Québec in this province is Newfoundland and Labrador Hydro.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Thank you.

I guess the question would be there potentially sounds like there could be – and we don't know the future, I think the Member for St. John's East - Quidi Vidi asked some questions in Question Period last night that we're certainly seeing the effects of climate change escalate exponentially over the last number of years, in Newfoundland and Labrador as well. We're talking about water, of course, and the Churchill River. I think it's a very valuable resource we have in terms of economic development, but potentially for environmental purposes as well. Again, we can't predict the future.

Is there any concern on the board's behalf that this could have implications on resource management within our province and the public interest, that this could impact the autonomy of the province in making decisions about, for example, water on the Churchill River that may be needed for reasons unrelated to hydroelectricity that has been sold to Hydro-Québec?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Firstly, I'd clarify that Newfoundland and Labrador Hydro is not the only party that pays water rentals in this province. Newfoundland Power also does for its smaller developments.

Again, I'd go back to, in the event that the Member just described, the Discriminatory Actions provision of the agreement is not preventing the government from taking action at that time. The consequence of that, if it is found to be discriminatory, is

compensation to the affected party, but it's not preventing the government, in the situation that was just described, from taking action.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: When we look at Annex K, that compensation under 8, Discriminatory Actions "shall take into account any resulting increase in the costs of developing, constructing, owning, operating, maintaining or financing the Project." That could be the Gull Island project, the construction of Gull Island on behalf of Hydro-Québec, with financing from Hydro-Québec. We're talking billions and billions and billions and billions of dollars in the event that a discriminatory action is found. That compensation has to include \$30-plus billion. Is that correct?

SPEAKER: Mr. Ladha.

M. LADHA: Mr. Speaker, thank you.

I'm not clear what's being asked there. I apologize. Could you rephrase the question?

SPEAKER: Yes, if the hon. Member could rephrase the question.

J. HOGAN: You said, and I agree, it doesn't prevent the Legislature from doing anything, but what it does is sort of crystallize the fact that there will be compensation owed, as a result of the government taking action, and that compensation will have to include the cost of construction for, for example, Gull Island, based on the definition of Discriminatory Actions.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I think you're asking me about a discriminatory action that prevents the

construction of Gull Island. I'm still not clear as to the exact question. I apologize.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Let's assume Gull Island has been constructed. Let's assume there is a discriminatory action. Then we have to determine what the compensation is, and the definition that the board has put in the agreement is that that compensation will include the cost of developing, constructing, owning, operating, maintaining or financing the project. So maybe you could tell me what that means then?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I think I am more clear on the question now.

I would not agree that if there is discriminatory action that automatically Hydro-Québec is entitled to the entire capital cost of that plant. I don't believe that is what that clause says. The intention of the clause is to put the party in a no worse off position, had the discriminatory action not been taken.

I struggle to see a situation whereby a discriminatory action is requiring the government to compensate Hydro-Québec for the entire capital cost of the plant.

SPEAKER: The hon. the Leader of the Official Opposition, and I would ask if you, please, phrase the question towards the Chair.

J. HOGAN: Sure, thank you.

Speaker, I would ask if Mr. Ladha could advise on how he would interpret what the compensation potentially could be based on section 8 of Annex K.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Again, that is a theoretical question that can only be answered by analyzing what the impact of a specific discriminatory action would be. As an example, if the government of the day decided to enact an additional tax solely on Churchill Falls, then the compensation would be as if that tax didn't exist. However, if that tax applied to all hydro developments in the province, it arguable would not be discriminatory.

We are talking about theoretical things here that are difficult to state with any precision because they are based on the actions that would be taken at the time and the damages the discriminated party would suffer.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

I will ask Mr. Ladha, from what I know, discriminatory action clauses are in any major contract, i.e., offshore oil and gas, hydroelectric, mining, anything like that. Is that fair to say?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Yes, I agree that they are very common in most resource development projects.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

As the Member across the way is trying to frame this up, would it be safe to say that it would have been in the 2024 agreement after negotiations have been carried out?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

It was not contained in the 2024 MOU, but, yes, I believe it would have been likely that a clause like this would have been asked for and, ultimately, negotiated in a subsequent definitive agreement, given their commonplace nature in these types of developments.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Mr. Speaker, I will ask Mr. Ladha, are clauses like this put in for the protection of one party or for the protection of both?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Clauses like this are put in for the protection of all parties. As an example, based on some actions that were taken decades ago at Churchill Falls, it actually required that the Churchill Falls company itself sue the Government of Newfoundland and Labrador.

SPEAKER: The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Thank you, Mr. Speaker.

I just have a couple of questions, I think, trying to wrap up a few things, loose ends, that we had. I think my hon. colleague had asked a question about the IRC. I just want to ask Dr. Loomis, if it's okay, Mr. Speaker – and you may have already answered this to some of the questions there – did they or he or anyone on his board meet with the IRC?

SPEAKER: Dr. Loomis.

Okay, Mr. Ladha.

M. LADHA: Sorry, I'm going to answer that, Mr. Speaker –

SPEAKER: Go ahead, Sir.

M. LADHA: – as I don't know if the other board members would have this information.

The IRC did conduct an interview with two members of the board of Newfoundland and Labrador Hydro, the chair and the chair of the Churchill River assets committee.

SPEAKER: The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Thank you, Mr. Speaker.

We're slowly uncovering the experts that the IRC had met with. We uncovered earlier today or yesterday J.P. Morgan. Now we know that there are at least two members of the Hydro board that did meet with them.

Would you, Mr. Speaker, either Dr. Loomis or others there, think it's a little disconcerting that you didn't get to meet with the IRC considering their recommendations were the framework of the negotiating team who you have to sanction or at least move the project forward to the next stage, which would be here in this hon. House? Would you think it's a little disconcerting that you didn't have a chance to meet with them, to discuss with them?

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you, Mr. Speaker.

I think the direction of the IRC was quite clear and the recommendations of the IRC were certainly captured as a framework in the negotiating mandate. I don't feel particularly uncomfortable with that. If there had have been questions or uncertainties or things that we just didn't think we could comply with, that would've been a whole other matter. But it was quite direct and quite reasonable, and for that reason, to answer your question, I was not uncomfortable with that.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The interaction, I think, that's being described is not necessarily an interaction that would be within the oversight duties of the Board of Directors. That would be an interaction that would be more for management who would then report to the Board of Directors as they do in the normal course for all issues at the Hydro Board of Directors.

SPEAKER: The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Thank you, Mr. Speaker.

I do believe that the public would have questions on where the recommendations would have come from and who was supplying that information to the IRC. I'm just trying to ascertain where that information would have come from, and you happened to be here in the House of Assembly and we can ask questions –

SPEAKER: If you could please direct your comments to the Chair.

B. DAVIS: Sorry, Mr. Speaker.

So there were 91 pages, 31 footnotes, a bibliography, appendix, no appendix for sources, who they consulted – I know my colleague asked you a question, Dr. Loomis, that wouldn't fly in the education world. We've seen some concerns with that.

I'm just asking your opinion on that from this perspective and does that seem like a reasonable suggestion that my constituents would think needs to be answered?

SPEAKER: Dr. Loomis.

C. LOOMIS: Thank you, Mr. Speaker.

Well, I guess I'd begin by pointing out that these are really two different worlds that we're talking about: academia versus the public sphere. I guess that's the best way I

can answer that. It is unusual in my world, or what used to be my world, but beyond that, I offer no further comment.

SPEAKER: The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Thank you, Mr. Speaker.

I would agree with you completely, it seems a bit unusual. Why would academia seem to have a higher standard than a multi-billion-dollar project for the future that's 50 years out? Wouldn't you think that the negotiating team, and/or the Premier, or the Board of Directors from NL Hydro would want to know – and I'm hopeful that the staff at NL Hydro would want to know – who fed into that report?

We're having a lot of questions about something that would have been easy for people to give to the parties involved, had they thought it was important enough. I would classify \$270 billion by the Premier's own standpoint as enough of a reason for the people of this province to have full openness into what's there.

So Dr. Loomis or any of the members from the board, if you could explain to me how we can sign off on something without having the details on the framework or the riverbanks that was given by the Government of Newfoundland and Labrador.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The details of construction and what went into the Oversight Committee report is not for the board to opine on. Nor was it the board's mandate to follow the IRC report in detail.

It's been said in this House that the IRC report was something that fed into the negotiating strategy that was ultimately set by government and debated and approved

by the Board of Directors. That is what guided them in their fiduciary duty as they deliberated on if the DCIA was in the best interest of Newfoundland and Labrador Hydro and the people of this province.

SPEAKER: The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Thank you, Mr. Speaker.

Thank you for bringing up the fiduciary responsibility. I think the chair of the board mentioned that, ultimately, the responsibility of the Hydro board is the people of this province. I think that's his own words here just a few minutes ago, so I would think that the questions that are being asked in the public sphere and through me – they don't have the ability to be here to do that – would want them to figure out exactly who provided the information that set the riverbanks for how this negotiation was going to go for the next 50 years for the people of this province.

I think it's incumbent on all of us in this House, including the Board of Directors, to ask those questions on the people's behalf that they are representing. So I would ask if that's something that can be done by the board now and in between the period of coming back to negotiate the final definitive agreements that the Premier is going to bring, he said, back to this House.

SPEAKER: Mr. Ladha, for a response.

M. LADHA: Thank you, Mr. Speaker.

Again, determining who fed into the IRC report is not the mandate of the Board of Directors of Newfoundland and Labrador Hydro. The board of Newfoundland and Labrador Hydro was guided by the negotiating strategy that it, itself, debated and approved and was provided by government. It is not the mandate of the board of Newfoundland and Labrador Hydro to investigate the inputs to the IRC report.

SPEAKER: The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Thank you.

I have a couple of minutes left, Mr. Speaker, so I'll move on to Water Management Committee.

Mr. Speaker, this committee was set up by the Public Utilities Board in 2010. It shows how the flow of water moves through the Churchill River divided between Churchill Falls, Gull Island and Muskrat Falls. Good credit to the Public Utilities Board for doing that.

I'm just wondering, what the representatives on this committee would do and do they have a vote on what happens across the Churchill River? I think someone on the board can answer that quite adequately.

SPEAKER: Mr. Haynes.

J. HAYNES: I don't recall, actually, how the Water Management Committee works but I am aware that there was lots of discussion with Hydro-Québec, and Hydro were prevented from optimizing some things that they could do because we could not operate the units at Churchill Falls because of the current contract limitations.

I think Hydro-Québec has eased up on it a bit since, because it was to their advantage when there was some excess energy available. I do know that, if they're partners on the Gull Island, it will operate a lot smoother because the rules will be established and it will function as intended. I don't think the water management actually functioned as it was intended to. Although it should have been because it would not have been a problem for anybody. It was just a contractual whatever.

SPEAKER: The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Could anyone on the board explain what the veto rights would be for Hydro-Québec? I think those veto rights were being discussed for the 2024 MOU, but have now not made it into the DCIA. I stand to be corrected. If you could highlight some of those for me, it would be greatly appreciated.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I'll answer that question as I don't believe the board would have those specific details.

The 2024 MOU had a commitment to modernize the shareholders agreement, and that was really it. The details were to come in the definitive agreements. As has been said multiple times, with this agreement and the DCIA, we've negotiated more material terms and that does include the foundations of the shareholders agreement for both CF(L)Co and Gull Island to go forward.

The specific Special Majority Board Approval matters, which are commonly referred to as vetoes, are enumerated in detail in the agreement. They are appropriate for joint ventures of this size. The current thresholds that we have in the agreement that was set in 1998 are quite low. In some cases, they're as low as \$1 million or \$10 million. That has been escalated to a more substantive level.

I won't go through them all, but the majority of them are set at \$75 million now and escalating at CPI. The levels that were set in the 1998 shareholders agreement similar to the price did not change. They were set and fixed, which is not the case.

So, again, these are quite normal minority shareholder protections in joint developments of this size that Newfoundland and Labrador Hydro is quite comfortable with. I believe that we have ended up in a place which is substantially

the same as we would have ended up with, had the negotiations in 2024 continued in terms of the shareholders agreements for both Churchill Falls and Gull Island.

SPEAKER: The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Thank you very much.

The 2024 MOU dealt with water management as well, Mr. Speaker, Schedule K. It set out the four principles to be amended in the agreement and not one of those four was a seat for Hydro-Québec. The seat is new. It was agreed to in 2026, but not there in 2024.

So can members of the board, or their council, explain to the people of the House and the public what we got for giving them a seat on the water management board that they didn't currently have a seat on?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

Again, similar answer, the details that were contained in the 2024 MOU were not nearly as advanced as the material terms that we have ended up with in the DCIA. So I would not necessarily suggest that was a negotiated change or a deviation, but it is just a further advancement of what might have happened.

As to specific trade-offs for negotiations, no, I don't believe that should be discussed in the House, given the commercial sensitivity involved there and the remaining negotiation to continue.

I would also say that Newfoundland and Labrador Hydro is quite comfortable with providing a seat to Hydro-Québec on this committee. As Mr. Haynes said, we think that would be quite normal given the significance of the projects on the river to both utilities.

SPEAKER: The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Thank you.

I'm not going to delve into, obviously if it's negotiations, it will affect negotiations, I do not want to go there. It was mentioned in the briefing that it was a negotiated outcome. But I just wanted to see if there was anything that could be delved into from that perspective.

The Innu Nation – just wondering has there been any thought given in the new DCIA to having members from Innu Nation on the Water Management Committee as well with respect to the Churchill River?

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

The Water Management Committee is an operational committee that relates to the technical operation and flow of water on the river of the three plants. The involvement of Innu Nation in that has not been discussed or raised, nor do I believe it would be necessarily appropriate. Notwithstanding that there are many discussions to come with Innu Nation on these agreements. I mean, their entitlements are set, in some respects, for the projects as it relates to the New Dawn Agreement but the Innu Nation is not involved in the physical operation of the plants in that way.

SPEAKER: The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Thank you very much, Mr. Speaker, that's it.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

Just one question, I guess. The Member opposite from Virginia Waters asked some

questions about details on riverbanks and given the fact that he was a senior Cabinet minister back in 2024, I would ask the committee, could they outline specifically – and I suspect it is quite a large amount of details based on the questions he was asking – the details on riverbanks they were provided by the previous government when they negotiated the 2024 MOU.

SPEAKER: Mr. Ladha.

M. LADHA: Thank you, Mr. Speaker.

I don't know that the specific riverbanks have ever been disclosed, and given the commercial sensitivity associated with that in terms of walkaway points in the negotiations to come, I wouldn't advise getting into that in this House.

SPEAKER: Are there any questions over here on the government side?

Are there any questions on the Opposition side?

Seeing no further questions from anybody, I'm going to thank our three panellists for being here today.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: We certainly appreciate your participation, your answers to this House and certainly to the people who are viewing, particularly our people here in Newfoundland and Labrador, so thank you.

With that said, we will now recess the House until 6 p.m.

The House is now in recess.

Recess

The House resumed at 6 p.m.

SPEAKER (Lane): Order, please!

Admit strangers.

Welcome back. I hope everybody had a good supper break. The same as yesterday evening, we will continue on now with the next block, Block 2 for the day, and we will proceed until 8:15 p.m. Then we will break for five minutes and have Question Period, and that will end our evening again.

This evening, members of the negotiation team are back. I do want to welcome back Mr. Perry and Ms. Williams. Joining us this evening though, in place of Mr. Kennedy, we have Ms. Vanessa Newhook. She is the commercial advisor to the negotiating team.

Welcome, Ms. Newhook, for the first time and welcome back to our other two panellists; we appreciate having you here.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: For the benefit of Ms. Newhook, and I guess for all of us, just as another reminder once again, questions will be asked in 15-minute blocks. When you are identified, you speak. All questions and all answers have to be addressed to the Speaker.

For the benefit of Ms. Newhook – well, the other panellists have been through this, but certainly for Ms. Newhook, I don't know when a question is asked, necessarily, who is going to answer the question. So if a question comes and if you're going to be the person to answer, I would ask that you raise your hand. That way, I can recognize you and then the Broadcast Centre knows to turn on your microphone.

With that said, I'm going to recognize now the Minister of Labrador Affairs.

L. EVANS: Thank you, Speaker.

Minister of Labrador Affairs – I will also be asking questions in my role as Minister of Indigenous Relations and Reconciliation, as well.

SPEAKER: That's fine, Minister, whichever one.

L. EVANS: Speaker, two of the three members there have been in the House before and have introduced themselves and listed off their credentials. So just for the audience and the people in the Opposition, I would just like for Ms. Vanessa Newhook to list off her credentials, as well.

SPEAKER: Okay.

Ms. Newhook.

V. NEWHOOK: Thank you, Speaker.

I'm a proud Memorial graduate. I have a Bachelor of Commerce in accounting designation and an MBA. I spent the first 18 years of my career with the provincial government working in various departments. The last position that I held within the province was with the Department of Natural Resources at the time. I was the assistant deputy minister responsible for royalties and benefits.

During my time with the province, I was involved with some procurement negotiations, federal-provincial negotiations, agreement on internal trade and the procurement chapter of the North American Free Trade Act at the time. I'm dating myself, I realize.

When I left the province, I joined Chevron as a commercial advisor. I've been there for 14 years until some organizational changes with the company in December. During my time with Chevron, I was part of an international commercial organization responsible for the Atlantic Canada files. I spent two years as president of the Transshipment Terminal in Whiffen Head, which I know many of you will be familiar with. For the last three years, I've been vice-president of Atlantic Canada responsible for Chevron's oversight of their East Coast participation.

SPEAKER: Thank you for that, Ms. Newhook.

The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Speaker, we're talking about Churchill Falls. We're talking about the hydro development and Churchill Falls is in the centre of Labrador. So my question is, why doesn't Labrador have enough power for its own growth? Right now for new businesses, any mining opportunities, any large infrastructure going in can't be connected to the grid. I'd just like to have that question answered.

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker, for the question.

There are two primary supply options of generation in Labrador for the larger customer base. One is Churchill Falls and one is Muskrat Falls. Muskrat Falls is a primary supplier for the Island but Newfoundland and Labrador Hydro has a maximum and a capped amount of generation that it can receive under the existing contracts that are in place until 2041.

We, basically, have maxed out the amount of supply that we can distribute on the interconnected system in Labrador from Churchill Falls.

SPEAKER: Thank you, Ms. Williams.

The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Yes, and I'd just like to say, Speaker, to Ms. Williams, when I asked my first question, I was kind of like I was over there in Opposition again.

The reason why I asked that question was to make it obvious that, in actual fact, we are in an energy crisis right now. We need more energy. Just looking at under the old contract, Labrador would have to wait until 2041 for more power.

To add on to the point I'm trying to make, can new infrastructure such as a new school or a large building in Labrador simply hook up to power?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you for the question, Speaker.

If we have a larger customer, I would say many of the utilities if they were listening, they would not think 250 kilowatts is that large of a customer; but we are a point where even customers of that size or larger, if they require power, we have really self-imposed a restriction on Hydro that we work with the Public Utilities Board to administer.

We want to hold quite dear any amount of small amount power that's left to allocate out so that we do indeed keep it for things like if there was a school or something, a hospital, along those lines. Any other kind of slightly larger customer, we really don't have any ability to hook up anything.

Things that would probably be in the bucket of economic development, we really have to keep the power available for smaller commercial housing because we have to keep it for those purposes as opposed to larger business opportunities.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Speaker, it fits, having to allocate even smaller quantities of electricity and we're actually, like I said, have this huge hydro development projects in Labrador.

What would more power mean? Right now, we're looking at rebuilding the Paddon Home so we can actually have our long-term residents, our seniors be accommodated when they need to go into long-term care. It's going to free up hospital beds in the hospital in Lake Melville. That's a priority for us.

In actual fact bringing the seniors' home on or putting some new public buildings in or putting some infrastructure for homelessness and mental health supports, Speaker, that basically Lake Melville has been looking for and Lab West.

What would more power mean for those small developments?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

In the instance of, I'll call it, probably more social related and smaller, we'd probably be able to get some of those through, but we are going to max out. There will be minimal left. Then, as a region even would want to grow, it would have almost no ability to do that because of the restrictions on power.

Somebody might say, well, surely you can put a generator in of some kind. Yes, we could, for example, come in with some kind of a combustion turbine or something along those lines to provide for that kind of power, but those would be at a delay and a much more significant cost than what we are able to secure under the access and in the negotiations that we've just completed under the DCIA.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Speaker, under the old contract, when will the power limits for Labrador start to ease?

SPEAKER: Ms. Williams.

J. WILLIAMS: If I could just ask for a clarification of the question, Speaker, under the 1969 contract? I just want to be clear on that.

SPEAKER: I think she said yes.

J. WILLIAMS: Under the existing contract that is in place until we sign definitive agreements, we're not quite out of the woods yet. We have to keep bringing this over the line. We wouldn't have confirmed access, in theory, to any power until 2041, and there is a risk. I don't want to put a quantification on that, but there isn't certainty of what we would get even in 2041.

Mr. Perry talked about this, I think, in an earlier appearance this week, that really CF(L)Co is a board of directors that is concerned about CF(L)Co. It would be concerned about getting the best price possible for that power.

CF(L)Co, I know it sounds kind of weird to say, doesn't really care about Newfoundland and Labrador. CF(L)Co has to make the best decisions. If, for example, 2041 was to come along and Hydro-Québec or another customer were to outbid Newfoundland and Labrador for the price and the megawatts out of that plant, we might not even have any in 2041.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Also, when we brought in our budget, *Budget 2026*, we're introducing a new MRI into the Lake Melville region. We're also, like it says, redoing the Paddon Home to accommodate long-term care patient needs. We're also looking at the needs for the hospital. We're also looking at a joint partnership with the federal government to build some housing supports and mental health and wellness supports for homelessness and transient populations

and people who are struggling with addictions. Those are all new investments.

So would we be able to actually put that in place, including our new MRI that we want to build, right now, if we're not looking forward to the expansion with the new agreement?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

Not to get too technical, but without knowing the exact amount of power requirements that all of those together would entail, we are very restricted with being able to be responsive to the needs of the community and the province as it relates to any kind of significant additions in Central Labrador and Lab West as well.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Speaker, the point I was making in asking the question to the experts here is that it's not just all about mines over in Lab West. It's not all about the energy crunch for mines. Really, in actual fact, our investment in infrastructure that's going to benefit the average person, that supports the health benefits. It's really important for me to make that point, Speaker.

SOME HON. MEMBERS: Oh, oh!

L. EVANS: A little bit of laughing and heckling going on. This is very important, an MRI, seniors, long-term care; 10 years, Speaker. Anyway, I'm digressing.

Under the 2024 MOU, the one that was proposed last year, I want to ask the panel were there plans to connect Northern Labrador communities in my district and Southern Labrador communities in Southern Labrador?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

I guess the subject of the question was are there plans for Northern Labrador or Southern Labrador. The 2024 agreement was between CF(L)Co, Newfoundland and Labrador Hydro and Hydro-Québec. So servicing Northern Labrador or Southern Labrador would be outside of the agreements in 2024, as is also the case in 2026.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Thank you. I just asked the question for clarification, Speaker.

So I just want to ask the panel there, what does this new agreement that we've negotiated mean for the Labrador power grid?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, this is a difference, I would say, in this deal versus the 2024 MOU. We actually have new power coming to us in the first year of the agreement. As I mentioned before in the House, Jennifer, when I first started engaging with her, said, Barry, do you know that we don't have any power in Labrador. We're so tight that we cannot really look at hooking up any customer of substantial size. I was just struck by that restriction, frankly.

In our first engagement with Hydro-Québec, I said to them, do you know that Newfoundland and Labrador Hydro cannot hook up another megawatt in Labrador. I don't even know if the CEO of Hydro-Québec knew that, frankly. I don't know.

We pushed that really hard and when their first proposal came back, they had put in new allocations in the next four years that were not in the prior MOU. So now we have – it's not probably enough for everything,

but we have more. We have 25 megs in year one, 25 in year two, jumping to 50 in 50. I think that's going to give Newfoundland and Labrador Hydro a lot of flexibility. And then clearly in 2032, it jumps way up to another 305 megawatts and starts climbing from there.

But this concept of today and just normal life, this deal starts to solve that problem right now.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Thank you, Speaker.

Most Labradorians feel like they've never gotten their fair share. So there are a lot of Labradorians looking at this project now and saying, power that's produced in Labrador, will it be used in Labrador first? Will Labradorians, for the infrastructure, the supports, will they have the priority?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, obviously, priority for Labrador, that's a policy decision for government. But I will say that what this deal gives is flexibility for government to make those kinds of decisions.

I mentioned in the House earlier that this deal, just the Churchill Falls contract alone, the money flowing into the province starts to ramp up really quickly. In 2027, we're looking at \$350 million; 2033, \$900 million; 2041, we're up to \$2.7 billion. The flexibility that that's going to provide the province, the choices that the province will be able to make with that are going to increase dramatically on a go-forward basis.

I keep coming back to the rebate that the Minister of Finance has announced. That's one example of what can be used with these new monies now that are going to come from a new contract with Churchill Falls.

SPEAKER: The minister's time has expired.

The hon. the Member for Burgeo - La Poile.

M. KING: Thank you, Mr. Speaker.

I want to welcome back our negotiating team to the House tonight, and thanks for being here with us.

Mr. Speaker, I'd just like to ask a question off the top first, because there was some reference there in the conversation that was just happening about power needs across Labrador being so different. I'd just like to ask Ms. Williams, is she aware of if power limitations on the South Coast have prohibited infrastructure from being built, say for example, like a school?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you for the question, Speaker.

I do know that there are times when the communities – and without any one in particular, but communities in general are restricted, between us and the Public Utilities Board, in how much power can be added to these remote diesel communities.

So yes, I am generally aware that there are times that there are restrictions for what can happen in diesel communities due to lack of power availability.

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Thank you, Mr. Speaker.

The NL Hydro board, and the CEO of NL Hydro, who of course is the same person during the 2024 MOU and is here with us this evening, approved the 2024 MOU. They also confirmed that it had enough power to meet Labrador's demands.

Mr. Speaker, I'd like to ask Ms. Williams if she can confirm that she was satisfied with

the amount of new power for Labrador that was in the 2024 MOU.

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

In the 2024 MOU, I believe we were going from 525 megawatts to 1,990, and that is a significant amount of power that would have been available for development in Labrador.

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Thank you, Speaker.

As we heard back then, it was based on conversations; there were multiple conversations with industry, communities, energy forecasters resulting in four times the power for Labrador. Can Ms. Williams confirm that, please?

SPEAKER: Ms. Williams.

J. WILLIAMS: That is correct. So it was 525 before, going to 1,990, that's about four times, and it would have been informed by conversations that we would have with our proponents leading up to.

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Thank you, Mr. Speaker.

So Quebec would have been made aware that was the position of NL Hydro, given that the debate at the time was public, correct?

SPEAKER: Ms. Williams.

J. WILLIAMS: Sorry, Speaker, if I could get the question rephrased.

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Thank you, Speaker.

As those conversations were happening publicly in the House of Assembly here, we were debating that, Quebec would have been clearly made aware of that position, correct?

SPEAKER: Ms. Williams.

J. WILLIAMS: I guess if Quebec was listening to the whole debate, then they would have certainly heard that kind of interchange.

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Thank you, Mr. Speaker.

And I have no doubt Quebec was definitely listening.

The Conservative government said publicly after the debate, of course, and during the timespan that we've been here, that they wanted to get more power. Can Ms. Williams confirm that?

SPEAKER: Ms. Williams.

J. WILLIAMS: Yes, I can confirm that part of our mandate was to indeed seek additional power.

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Thank you, Mr. Speaker.

Hydro-Québec would have known that the new government wanted more power, even though they would also know that Newfoundland and Labrador Hydro didn't actually think it was needed, based on the debate and the conversations that happened here. So we went into a negotiation with the other party knowing that we'd seek more power, we likely, or at least possibly, would need. Is that correct?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, that's not correct. We did an analysis of the amount of power that we would need based on the developments in the mining area and the various mines that were expected to be coming online. The sort of ask that we came up with was more than the 1,990, based on making sure we had the flexibility to supply all the mines that we thought could come on in the foreseeable future.

The ask for power was rooted in our assessment of what we expected we would need in Labrador to power the industrial developments that could occur there.

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Thank you, Mr. Speaker.

But previously, as we just stated, it was publicly made aware during the debate that we were satisfied with the amount of new power in the 2024 MOU; the Premier has been saying publicly over and over that we need more power. So how is it that Hydro-Québec would not be aware of the position going into the negotiation?

SPEAKER: Ms. Williams.

J. WILLIAMS: I just want to add to something the Mr. Perry said. It is normal for utilities to have new information available to them and reforecast their needs. In the same instance, Hydro-Québec, if you go back a number of years in their supply planning, they would have sought X amount of power and then two years later or three years later, they would seek a different amount of power.

So from a what would Quebec have expected on the basis of the mandate versus what was previously agreed, I don't think they would be surprised that we would be seeking more power, especially as time had gone on and electrification needs and increasing demand for things like data

centres, et cetera, would evolve, that wouldn't be a surprise to them.

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Thank you, Mr. Speaker, and thanks to Ms. Williams for that.

As I stated, again, it would not be a surprise because the Premier made it very clear, very public over and over heading into the negotiations.

Now Quebec will have an ability to buy power from our allocation, power we are keeping for our province, if we don't actually need it, for a discounted price. Can the negotiating team confirm that?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, could I get the question repeated, please?

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Quebec will have an ability to buy power from our allocation, power we are keeping for our province, if we don't actually need it, for a discounted price. Is that correct?

SPEAKER: Mr. Perry.

B. PERRY: That's not correct.

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Mr. Speaker, thank you for that.

The discounted price is available for Quebec to buy power, power from any of our sources, that includes Churchill Falls upgrades or Gull Island?

SPEAKER: Mr. Perry.

B. PERRY: That's not correct.

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Mr. Speaker, can Mr. Perry explain because that is in the DCIA, so I'm actually very confused? If he can explain that for us, please.

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, happy to.

We have flexibility to make our decisions. When a mine is expected to be coming into service, we will know when it needs power, we will enter into a negotiation with that mine on a power purchase agreement. So we will time that decision to bring back our power, I'll call it, and we will time it so that we will give the appropriate notice and we'll have it ready for the mine when the mine is ready for it.

Now, yes, if we make a mistake, there is a process where we give notice to put it back to Quebec and that notice period, we get a 95 per cent discounted rate. But this is in our control. We do our homework, we do our planning and we give our notice, which by the way, three years for these size of projects, Mr. Speaker, it's fully normal, I'll call it. These are big industrial loads and you see them coming, so you give your notice.

I would not expect we would be making mistakes on this. But there is this mechanism that if truly we do make a mistake and something happens in the planning, we do put it back into the process and Quebec would buy it at 95 per cent. There is a 5 per cent penalty for that, I'll call it, mistake.

SPEAKER: Ms. Williams.

J. WILLIAMS: Without getting into future commercial discussions to future customers, there is a potential additional mitigation that Hydro might seek with such a customer.

If such a customer said to us, we want 100 megawatts of power and then we gave our notice to Hydro-Québec and then a year away from that time, things changed for that customer, we would likely plan to have commercial arrangements with that customer to keep us whole or mitigate that difference, if that situation were to occur.

I just wanted to add that there are additional mitigation measures that we could work to undertake.

SPEAKER: The hon. the Minister of Burgeo - La Poile.

M. KING: Mr. Speaker, I would say that page four, Schedule B does define the discounted price in the DCIA. Would the negotiating team agree it's more likely Labrador West will need more power as time goes on, new mines and other industrial projects hopefully increase with time and that they take time?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, I tend to agree with that statement but we do have, I think, a lot of information related to perspective mines that are interested already and are well down the path. Maybe my colleague Vanessa can offer a couple of thoughts on – I know she's done a fair bit of work with Energy and Mines on this, but there seems to be a lot of interest for the power at this point in time.

SPEAKER: Ms. Newhook, do you want to comment?

V. NEWHOOK: Thank you, Speaker.

The concern that was raised by the IRC was that there was likely sufficient power for immediate known needs but given the value of mining and industrial development, that there was a concern that we would in fact find ourselves back in the '69 agreement by having insufficient power for our needs.

The challenge that this team was left with and government in assessing that recommendation, was to try to understand and put ranges around what industrial development could look like.

Energy and Mines, Finance and Newfoundland and Labrador Hydro worked on the basis of what I would call known advanced mining information, then layered scenarios on top of that for some other things that we would describe as probably a little more speculative from a major development, but thinking about what the opportunity could be. Then considered other scenarios. People talk about data centres, AI, whether those things become a reality in the future, but the idea was how do we make sure that we have enough.

That informed the decision for the additional power to be retained and then you're left with another problem, what if we keep all the power? Because as you heard earlier today Newfoundland and Labrador Hydro and Hydro-Québec each pay the same price to CF(L)Co for power. So when you decide to keep more power, the challenge you now have is if you find yourself without a use for that power, you've actually eroded value.

As with any negotiations, you have to sit down and think about how do I balance what all my needs are. This is where the conversation around the 150 per cent tranche and the three-year lead time came. Major developments that we're talking about are usually international companies that are on a three to five-year investment cycle planning their capital requirements.

The sort of time frame that we're talking about is not unusual at all. We tested that, and that informed the decision about how much power to retain. The 150 per cent tranche helps to balance, ensuring that the province has sufficient power for mining and industrial development in the future without eroding value by maintaining too much.

It's definitely a balancing act. I don't know if there was an additional question or if that covered your –

Thank you, Speaker.

SPEAKER: The hon. the Member for Burgeo - La Poile.

M. KING: Thank you, Mr. Speaker, and thank you for that, Ms. Newhook.

The so-called premium price where Quebec will pay 150 per cent of the set price is only available for power from the original Churchill Falls facility, which is cheaper in the early years. Still only up to 6 cents for the first 10 years.

So, for example, Quebec can get the discounted price on power that is 15 to 17 cents. Correct?

SPEAKER: Mr. Perry.

B. PERRY: That's not correct. In the first few years, we have the option of going on our two lines into New York and into Boston at higher prices. As I mentioned in this House before, in the early years, we're probably not using the premium tranche pricing mechanism. We're probably choosing to go on these lines because the outcomes are better.

Remember, this is in the period of the contract reopening. So, yes, we have lower prices under the Churchill Falls PPA, but we can actually do better than the premium tranche by going on the two lines in the US. We have an option to put as much on those lines as we need to. It's not the full amount. We can go up to 240 in New York and up to 200 megawatts in Boston.

So we provided that flexibility to Newfoundland and Labrador Hydro to realize some more value here in the early years while the price is starting to go up on the Churchill Falls contract.

SPEAKER: The Member's time has expired.

Back to the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs, and a few other things.

Go ahead, Minister.

L. EVANS: Speaker, Labradorians feel like they shoulder the burden of development and a lot of times don't get the benefits. So my question is, what does this agreement mean for families in Happy Valley-Goose Bay who's going to be impacted by this development?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, there will be obviously some real economic development that occurs in that region. They will benefit from, for example, the electricity rebate that was just announced, and any other benefits from the flexibility that the new revenues from Churchill Falls provides to the province.

Clearly, I think the province has formed the Labrador team which the minister is part of, I believe, that are focusing on making sure that we do all the right things in Labrador as we prepare for the development of Gull Island.

So I'm sure there's going to be lots of input there to make sure that we learn from Muskrat Falls and the impacts and that things are taken care of as we head into developing Gull Island.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Thank you, Speaker.

Looking at the Gull Island development, Labradorians benefit from projects such as Muskrat Falls, they had high-paying jobs, but it was only for a few number of years.

How will the Gull Island development look different in terms of the lifespan and the economic benefits to Labradorians?

SPEAKER: Mr. Williams.

J. WILLIAMS: Thank you, Mr. Speaker.

I guess an obvious benefit to state is that Newfoundland and Labrador Hydro will be the operator of the Gull Island plant in the same way that it's the operator of the CF plant, as well as Muskrat Falls. So we do expect a good number of high-paying, rewarding jobs to occur directly on site at Gull Island. I don't have those exact numbers for you, but just as a proxy, I think we have about 40 or 50 at Muskrat Falls, maybe as low as 30 at times, depending on the time of the year.

Then you would have additional jobs that would follow on as a result of that, so service work, et cetera, just as one obvious long-term, permanent impact to the community. So if that is one job per family, that is anywhere from 40 to 50 families that could benefit from that long-term, sustainable work which would be one obvious long-term benefit that isn't short in duration or just a contract period.

SPEAKER: The hon. the Minister of Labrador Affairs – oh, sorry, Mr. Perry, do you want to comment as well?

B. PERRY: Yes, just to add.

Clearly, this overall deal, there is a lot that will be happening in Labrador. We have the wind farm opportunity and there will be jobs associated with that. We have the mining in the Labrador Trough that is going to be getting going.

It's going to be a very busy time for the next 20 years. When you think Gull, from start to finish, is probably over a 10-year project. Wind, we have the study first, environmental, get it built, that's eight years. The upgrades at Churchill, over a 10-year

period. Transmission lines being built, mining getting going. There is a lot that will be happening in the region and a lot of exciting stuff, clearly, that will benefit a lot of the people that live there today.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Looking at the jobs, you are saying Gull Island build would be like 10-year construction employment, then some permanent jobs and then the new mining developments that would be allowed to happen, a lot of opportunities.

But just looking at this in the very near future for the construction, will people in Happy Valley-Goose Bay, North West River, the surrounding region, Southern Labrador, Northern Labrador, will they get a fair shot at the jobs? That is the question on everyone's mind.

SPEAKER: Ms. Newhook.

V. NEWHOOK: The numbers are astounding when you think about them. They're not meaningful numbers to any of us, quite frankly, because they're so large, it's hard to believe.

When you think about the development over 11 years, I know the number that is out there in the media for the federal government on announcement day was sort of around 5,000 peak for Gull Island. When you stack all of the projects up and think about the timelines of what I call the hydro transmission and wind projects, you actually end up with a number more like 15,000 jobs at peak, considering how the projects overlap during that period of time and an annual average of 5,500 jobs.

The minister has spoke about understanding the impacts in the area. The other part of what we talk about is how we have provided for consideration of the jurisdiction. There is a benefits strategy in

place. The benefits strategy requires that 85 per cent or 20 million hours, whichever is greater, associated with Gull Island takes place in province, then there's a hiring protocol that gets applied with that with Labrador Innu first, Labradorians next, remaining residents from the Province of Newfoundland and Labrador and then Canada. So there are certainly opportunities.

In terms of what we need to do, it's to think about how to prepare for it with solid plans across the province to make sure that people and jurisdictions are equipped to be able to maximize taking advantage of those opportunities, but the provisions are there.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Speaker, the reason why I asked that question, I said that's the question on people's minds, when they hear about employment opportunities and growth and what opportunities this project would bring, people do say: Will I get a fair shot at the job?

I was heckled across the way. They said that's not the question but, in actual fact, when you look at employment opportunities, Speaker, Labradorians say, well, will I get a fair shot? It doesn't matter that I'm being heckled across the way, Labradorians are asking that question and that's why I asked it to the panel.

It's very, very important. Labradorians need to feel like they are heard. It's so, so important. As minister, I have an obligation to make sure that I represent all of Labrador and that Labradorians get a fair shot at all of these jobs, the huge opportunities and also to build skills so that they'll have other opportunities. That's when everybody benefits, when your opportunities lead to more opportunities.

Speaker, I certainly resent being heckled across the way when I'm asking questions that people are raising to me.

What will the project mean for local businesses? I speak with the Labrador North Chamber of Commerce; I talk to a lot of small business owners in the region. What will this project mean to them?

SPEAKER: Ms. Newhook.

V. NEWHOOK: As a product of somebody who benefited from the benefits associated with major project development during the days in Hibernia, I'm proud to say that Hydro-Québec has committed to a committee that is local and advisory with a representative from the community to make sure that there's adequate representation to identify what those opportunities would be, to understand what the community needs are to really maximize those opportunities. I'm sure those of you who have read the DCIA in detail understand that there's a commitment to those committees on the ground.

I think Jennifer has something to add.

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

I just want to add some information from the Muskrat Falls Project. When you think about businesses – and this question is actually for the whole province, so I unfortunately don't have the breakdown from Labrador businesses in particular, even though that was the question – the amount of allocation of what went to Newfoundland-based businesses was 35 per cent. So if you think about that, those are several billion dollars that was allocated to businesses from Newfoundland and Labrador, when we think about the value of that project.

So now the amount of capital that's about to be expended for all of these projects together, you're probably approaching \$10-

plus billion of potential benefit for Newfoundland-and-Labrador-based businesses. So I'm sure that businesses in Labrador will also get a significant component of that.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Thank you, Speaker.

My next question is about the project team. How long will they be based in Happy Valley-Goose Bay in terms of years?

SPEAKER: Ms. Newhook.

V. NEWHOOK: We talked about the length of time. There's a requirement for the EPCM, the main subcontractors, to have offices physically located in Labrador and on site. So it would be for the duration of the construction build.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Thank you, Speaker.

The busy construction years, how long will it take Gull Island to be developed and then Churchill Falls, when we're looking at years, so people who maybe listening in can understand what opportunities they would have for jobs and how long they would be lasting?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

When the documentation that is likely available for the public to review, it does show Gull Island being commissioned – I'll use Gull Island first – around the late 2030s. So I would expect we get through definitive agreements and we'll get into high gear. So you could start to see activity starting next year and then you'd go into the late 2030s,

so that would be really for 10 years. Then certainly there'll be, again, an increase in activity and supports for that additional plant in the long term. That would be the transmission lines with that as well.

As it relates to Churchill Falls, we will start, essentially, again, right away with engineering and procurement and construction and that will actually extend into the early 2040s. So there's significant construction starting, hopefully, as soon as 2027 and then wrapping up into the 2040s.

That doesn't include any of the knock-on effect that gets unlocked with firm access to power. So if we have mines start to come on or any other kind of large business come on and we have confirmed access to power, that will continue with construction activity for decades to come.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Thank you, Speaker.

Speaker, just looking at the project now, Happy Valley-Goose Bay residents, they are basically the ones greatly impacted by all the construction activity, just shouldering the burden of the development, as I used to call it when I was in Opposition and I actually call it that here now when I'm on the side of government.

Looking at the residents of Happy Valley-Goose Bay, a lot of them have to travel away for work right now, so this project coming on their doorstep, what would that mean for them?

SPEAKER: Ms. Newhook.

V. NEWHOOK: I think we actually had a great conversation about the passage of time and the number of Newfoundlanders and Labradorians that are currently rational workers. When we talk about the kind of time period over the construction, you're

talking about a consistent level of work and an opportunity to stay at home, to work closer and to be able to support your family.

So we are talking about the sorts of numbers that I used earlier over these projects of an annual average of 5,500 jobs. As Mr. Williams just alluded to, that's without any of the benefit of seeing mining development pick up as soon as power is available.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Thank you, Speaker.

Just another simple question that means so much to Labradorians. What would this new agreement mean to Labradorians 10 years from now? Would you be able to put that in perspective for them?

SPEAKER: Ms. Newhook.

V. NEWHOOK: Ten years from now is 2036, so assuming an efficient process, actually you would be almost all the way through a build if you started – 2034 was the year that you started commissioning, I believe, Ms. Williams just referenced.

J. WILLIAMS: (Inaudible.)

V. NEWHOOK: Thirty-six, so it's 10 years, so it's commissioning.

You will have been through a very active construction period of good-paying jobs for people in their communities and you'll be ready to commission the assets. If we think about the knowledge of the power that would be available, we would hope that at that point in time, we would have had the opportunity to negotiate with mines and you would see the mining jobs picking up at around the same time period. It would all start to come together.

SPEAKER: The minister's time has expired.

The hon. the Member for Lake Melville.

K. RUSSELL: Thank you, Mr. Speaker.

Nice to hear the minister say, I guess, that we're in an energy crisis when we have the best resources in North America and we're about to now potentially give away 85 per cent of the power of the crown jewel in North America as well.

But in saying that, I'll ask Ms. Williams – we've heard the minister just say in her preamble about all the wonderful things we've secured in Lake Melville from the budget: MRI machine, Paddon Home. I just think that when these promises are made during budget time and these allocations are made, Ms. Williams, are you consulted and does this mean that then the recall initiative has started for the amount of power that it takes for these assets to then be built in these communities in Labrador?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

Newfoundland and Labrador Hydro works fairly closely with the Department of Energy and Mines on a whole host of files and we stay abreast with them on requirements and forecasts and things that we do with the Public Utilities Board. So just to add that additional context of how we work together over many, many years to keep each other informed.

Certainly, the kinds of customers that the minister was speaking about earlier, those are the ones that are prioritized for the small amount that is left. But again, adding all those up together and over a long period of time, we would have difficulty supplying that.

Further to my comments that I mentioned earlier is should those keep coming and if we truly had zero left, even for those more social, policy-based initiatives or power requirements, we would have to find, I

would say, a less desirable solution than is available to us by pulling more power back from Churchill Falls at a lower cost and probably a different environmental profile.

SPEAKER: The hon. the Member for Lake Melville.

K. RUSSELL: So then, Mr. Speaker, when we announced the MRI, the Paddon Home, all the low-barrier shelters that the minister would like to see in Lake Melville – that I wouldn't like to see in Lake Melville by the way – when those announcements were made, budget time, then you guys, the consultations took place between government and yourself. So do we have the power for those, the promises that have been made, or are they only contingent on us accepting this deal?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

No. I'll just repeat a little bit of what I said, just then, so I apologize if I am repeating myself. There are small amounts of power available for such types of power needs, but the bank, to use a word that Mr. Perry has used for a while, the bank of even that small amount that's left is running out. So in the very near term, we would have a small availability for those kinds of things. I'll use for example, DND. As has been discussed, the significant that the federal government intends to bring to the region.

Some would probably know that DND have been looking for 20 megawatts for years from Newfoundland and Labrador Hydro to convert some of their heating to a cleaner source, and we have not been able to comply with that request because we just simply didn't have that large block of power, but we were indeed able to hook up other things like the Y or those kinds of things.

So we are keeping the very small amount that's left for the more urgent, social policy-

based ones, but that is also becoming more and more dear all the time.

SPEAKER: The hon. the Member for Lake Melville.

K. RUSSELL: Speaker, we've heard the Premier say a few times during the days of this debate no deal, no base, no power line for Lab West, no new mines, all of that stuff. I mean that's very scary to think that we have no way out other than to take what's in front of us.

Can you confirm for me right now, as it is, let's just say for some reason we don't take this deal, do we have enough power for the MRI and for the Paddon Home in Happy Valley-Goose Bay right now?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you for the question.

I don't have the specifications of exactly what those two demand requirements are. I am imagining that they are not so significant that we could not supply them, but I believe the question was when you allocate a lot of these requests on top of each other, and I believe my statements have been when you add a lot of these together, we will not have that ability. But I don't have the specifications of those two items in particular. I expect we are okay to meet those, but I would want to check them.

SPEAKER: The hon. the Member for Lake Melville.

K. RUSSELL: Mr. Speaker, yesterday on NTV news, we saw Grand Chief Jodie Ashini of Innu Nation say that they are not accepting any timelines and our December 1 timelines without government apologizing for the way that we have placed their history and their presence in Labrador at a 300-year cap.

Do you think it's in the best interest of the province that we get to apologizing really quick?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, that is a question for the province. All we did as a negotiating committee was engage with the Innu Nation. We had several really good meetings with them, taking them through the deal, as it evolved. It was, as I said earlier in the House, for me, one of the best experiences I have had in a long time to actually see the great questions coming from the Innu Nation, the idea that they could possibly be involved as owners in some of these opportunities.

I know that Newfoundland and Labrador Hydro will continue to have engagement with the Innu, but the question as to the history and all that, that is a question for the province.

SPEAKER: The hon. the Member for Lake Melville.

K. RUSSELL: Mr. Speaker, nice to know that in Labrador we have an energy crisis and a crisis in terms of safety of our residents and health in our communities.

We saw the Muskrat Falls come and go in Lake Melville. We were promised all those jobs. As a matter of fact, I got up and done some of the speeches, as we have all heard here, about how much we were going to get, 85 per cent of all that. That happened back in the day. We never saw any of those jobs.

I'm just wondering, how are we supposed to trust the government when that has already happened? We are in turmoil right now. We are in crisis right now in Lake Melville. We have nothing but the ill effects of Muskrat Falls. It has already been determined in this forum here in the last couple of days that the hiring numbers and all the controls and

the policing and the policies are not even looked at, at this point in time.

SPEAKER: I would ask the Member to get to the question. Your time has actually expired, if you want to ask the question, please.

K. RUSSELL: I am asking, how can we have a level of comfort in what has happened here, both in this House and with our government, when the controls for things like policing and policy of all these jobs and that 85 per cent we are touting here today? We don't have the Labrador data on that, so I am just wondering how people can have confidence in that.

SPEAKER: Mr. Perry.

B. PERRY: Speaker, the role of the negotiating committee with relation to this was to make sure that the proponent follows the benefits agreement. Vanessa can offer some more, but I think we, through our negotiations, have really gotten commitments from Hydro-Québec around that. That was part of the overall DCIA that we've entered into.

SPEAKER: Ms. Newhook.

V. NEWHOOK: Thank you, Speaker.

The other comment that I would add is that every project or negotiation that I have ever been involved in consists of phases and this is the first phase, where you get to the point where you understand the parameters of what you're dealing with. The sorts of questions that you're raising around planning are valid and they're the sorts of activities that I would defer to government as policy to consider as you get to more completion, but I think what Mr. Perry has described is our attempt was to make sure that the groundwork was laid within the projects to provide the opportunity.

SPEAKER: The hon. the Member for Labrador West.

SOME HON. MEMBERS: Hear, hear!

J. POWER: Thank you, Speaker.

I, too, would like to welcome back the negotiation team.

Speaker, people in Labrador West have heard for years that there is no power left for new industry. Can the negotiation team tell the House how much power Labrador has access to today and how much of it is already spoken for?

SPEAKER: Mr. Perry.

B. PERRY: I'm going to go but Jennifer is probably a little better at this.

Currently, we have 525 megawatts from the Churchill Falls plant and basically what we've been hearing here is that's all spoken for. There may be a little bit that we can do for a few things in the next little while but it's going to run out real fast.

What this deal does, as I mentioned earlier, is next year would get 25 megawatts extra, 25 megawatts again in 2029, 50 megawatts in 2030, 50 megawatts in 2031, which are new compared to the last MOU. Then we jump quickly to another 305 megawatts from the main plant and from the upgrades we get 26 megawatts and you start seeing all the different sources start to come in.

In 2035, for example, we more than double what we're getting from the Churchill Falls plant currently. We're getting 525 megawatts currently, we add another 605 megawatts to that and the upgrades add, I think, 105 megawatts – if my eyes are working.

Then, in 2036, you start seeing Gull Island start to come on. We're really seeing very large chunks of power start to come to our arsenal, I'll call it, in those years, so you're

going to start getting out of this problem real quick.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you.

Speaker, mining companies in my district can't wait until 2041. We heard today that the construction of the new transmission line should be done by 2032. How much new power will be available to the province by 2032?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, in 2032, we'll have another 305 megawatts available. For example, a Kami mine, I think, is around 125 or 150 megawatts. So you could have two mines coming online in 2032 and we would have enough power.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you.

Speaker, what does the picture look like a few years later? How much new power will be available by 2035?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, in 2035, the amount from the base plant, Churchill, essentially doubles, we get a total of 605 megawatts.

From Gull Island, we'll – sorry, in 2035 Gull is not yet ready. So we have 605 megawatts from the base plant extra and 105 megawatts from the upgrades.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you.

When Newfoundland and Labrador Hydro takes over the share of Churchill Falls power, does the province get served first or does Hydro-Québec?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, we get the first out of the plant. Our allocation is the first thing served.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you.

Speaker, if a new mine or major industrial customer comes to Labrador West and needs more power, can the province take back power that's been sold to Quebec?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

Certainly, there would be a series of things that we would have to consider at that time, but if we have not exceeded our allocation and we had chosen to sell that power to Quebec, we certainly can pull that back from Hydro-Québec with three years' notice.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you.

Speaker, for the people of Labrador West, can the negotiation team remind the House when we would have access to more Churchill Falls power under the existing contract?

SPEAKER: Mr. Perry.

B. PERRY: It would be in 2041, potentially, under the current contract, so 15 years from now.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you.

Some people say we're better off exporting power than using it here. What did the Independent Review Committee find out about the value of using power for industry in this province?

SPEAKER: Ms. Newhook.

V. NEWHOOK: Thank you, Speaker.

The Independent Review Committee identified that they were concerned that the full appreciation of industrial development, particularly during the operational periods, had not been considered. I described earlier the sort of analysis that was completed to make sure there was a full understanding of how powerful the operational benefits could be after the construction period.

It was on the basis of that, that the choice was made for the additional power and then the mitigations we discussed to be able to manage the timing of power being available contrasted with industrial take-up for that power.

So, certainly, there was a concern that industrial development in the province would likely be the highest potential value to the province, economic value, hence the recommendation that government, in making decisions about proceeding or re-entering negotiations, should consider how to balance financial and economic benefits to that province.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you.

Speaker, I hear directly from mining companies that power is a deciding factor for them. What does access to more power mean for mining in Labrador and how does that new supply compare with a project like Kami would need?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, I'm not surprised that the Member is hearing that kind of commentary because these mines do consume a lot of power and they really cannot proceed without it.

Kami, I understand, is in 125- or 150-megawatt range. When you look at the amount of power that we now have under this new deal, you could do multiple Kamis, maybe 15 Kamis over the life of the power contract.

So we're really creating such flexibility for the province to be able to power industrial development in Labrador. We've created the flexibility that if for some reason that does not happen, we can actually put that power back to Quebec at 150 per cent of the PPA price for the Churchill Falls component of it.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you.

Speaker, every job at the mine supports other jobs in our communities. Can the negotiation team talk about how much those knock-off effects and how many additional jobs each direct iron ore mining jobs creates across this province?

SPEAKER: Ms. Newhook.

V. NEWHOOK: I just want to make sure I have the right number in front of me. We talked about earlier what the commitment to hiring was during the construction period around hydro transmission development, what we call the development projects. During the mining construction period, we did an analysis looking at how the power could be used that was retained and if there was maximum take-up.

So I want to be clear, this is not a single mine and we're not assuming that every

mine that we could think of was developed, but we did consider what would be the value of the power retained in province if it was used and fully taken up for industrial development. The numbers during the construction period would be another \$19 billion in terms of Gross Domestic Product for the province and 16,000 jobs at peak – that's during the construction period.

The other number that I can share just to sort of help follow up on an earlier question where people were concerned about, you know, what is the reality that people in Labrador will be able to take advantage or people in the province would be employed on these jobs. Muskrat Falls had 48 million person-hours completed in the province; 40 million of those hours were in Labrador, eight million of those hours were in Newfoundland and 85 per cent of those hours were worked by residents of Newfoundland and Labrador.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you.

Speaker, Labrador West sits in the Labrador Trough. What role does this province play in Canada's critical minerals and why does that matter to Ottawa?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, we all know that the country has a bit of a challenge going on right now with the US and tariffs. Prime Minister Carney is really doing some new things in the country. They created a Major Projects Office to focus on some really big strategies for the country, one of which is critical minerals and getting mines going.

The Labrador Trough, the way I understand it, has some tremendous potential, especially iron ore and high-quality iron ore. So facilitating getting those mines going is aligned with the federal strategy and referring the Labrador Trough strategy to

the Major Projects Office was important. I think it is going to be very helpful for the overall projects that would occur there in terms of permitting, regulatory, all those things.

I think it's an exciting combination with everything that is going to be facilitated by this new deal that we have negotiated here.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you.

Speaker, the Labrador West transmission line is very important to my constituents. Who will this line serve and who pays for it?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Mr. Speaker.

I will give you a little additional information. That line is currently undergoing another refined engineering estimate and we expect to have that completed by the end of 2026. That estimate is being completed in concert with input from four different proponents. We are expecting up to four major proponents to participate or to eventually utilize that line, but the ability for various of the proponents to participate on day one versus a future date is still being determined.

Materially, that will be – I shouldn't say materially – a large portion, it is expected that the proponents will have to pay for the cost of using that but, as we had heard earlier this week a number of times in the House, is that the federal government is making that line much more economic for the proponents to be able to participate on that line.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you.

Speaker, families in Labrador City and Wabush want their kids to have a future at home. What does this agreement mean for young people growing up in Labrador West?

SPEAKER: Ms. Williams.

J. WILLIAMS: No, sorry, if it was for me, my thing was behaving funny.

SPEAKER: Okay, so who's going to answer? Raise your hand.

Ms. Newhook.

V. NEWHOOK: So we've already covered, sort of, the amount of jobs that would be available during construction and the value that we're talking about in the area. I can also share the numbers from 2025 for economic impact and the number of people employed in the province. In mining in Newfoundland and Labrador, there were 8,800 people employed in 2025.

When you think about that, if I was a teenager or a child in Labrador these days thinking about opportunities, understanding and being able to view the reality of potential like that in the future would be very impactful to think about what opportunities could be. Obviously, sort of later in high school and university is the time frames that we've talked about earlier for the construction period. These are real opportunities around employment with enough lead time for training and development plans.

SPEAKER: The hon. the Member for Labrador West.

J. POWER: Thank you, Speaker.

I only have five seconds left, so off the record I have a personal question. How will all this construction with hydro transmission lines and all that affect me going fishing in Labrador?

SOME HOM. MEMBERS: Oh, oh!

SPEAKER: Okay, I thank the Member for his questions.

Before I get to our next speaker, I just want to welcome the former – I'm going by memory, so forgive if I'm wrong – MHA for the District of St. John's Centre and former minister of Natural Resources, Mr. Shawn Skinner.

Welcome to our gallery, Sir.

SOME HOM. MEMBERS: Hear, hear!

SPEAKER: I want to recognize the Member for Mount Pearl North.

L. STOYLES: Thank you, Speaker.

I guess we're in our final hour for questions for the committee. As I can see around my colleagues, we still have a number of people with questions, so I'm not going to take too long. I have a couple of questions from residents in my district regarding language.

I've heard from residents who worked on the Churchill Falls who said that the biggest challenge during construction, dealing with Quebec, was the language barrier. I'm just wondering, the negotiation team, if they had any concerns and have they brought any of these discussions to the table?

The reason I'm asking is that last year alone in my district, in Mount Pearl North, in Power's Pond alone, there was a large number of people, their children couldn't go to French immersion because of busing. If they didn't live in the catchment area, which a lot of them didn't, they had to send their children to a different school, the children couldn't get the bus.

SPEAKER: The hon. Member's one minute time is up, so you can ask the question, then if you want to continue on.

L. STOYLES: Thank you, Speaker.

My question is about the language barrier and if it's being discussed.

SPEAKER: Ms. Newhook.

V. NEWHOOK: I'll take the first part of the question I think I heard.

There is a clear commitment that all of the documentation, advertisements, materials, all have to be provided in English. That is really important for a bunch of reasons, not just because the project is happening in our province and we primarily speak English, but also because the Gull Island joint venture will be a company and NLH will be the operator afterwards, so all the documentations from a safety perspective of operating the plant.

I'll pass to Ms. Williams.

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you.

Certainly, it was absolutely a question that came up during discussions with Hydro-Québec and there's a clear commitment that this will be an English site. Does that mean that Claudine Bouchard, as the CEO of Hydro-Québec, will still be speaking French with her colleagues in Montreal when they're discussing this project? I am sure that they will be, but it will be an English site. We've had that commitment.

SPEAKER: The hon. the Member for Mount Pearl North.

L. STOYLES: Thank you, Speaker.

Hydro told the House in 2025 that in the 1969 contract no reopening clause was in the agreement, and it was the biggest flaw in the agreement in 1969. I'm just wondering, and I have the email here from somebody asking, have you talked about a reopening clause? They're recommending after 15 years that they could go back and look at Churchill Falls and Gull Island and

have a final contract on that. I'm just wondering if that's in this contract.

SPEAKER: Mr. Perry.

B. PERRY: Speaker, no that is not here. What we do have is a 50-year contract for Gull Island that sees Québec build the project, pay for the project, essentially, over the life of it. We get the project at the end with the debt just about fully paid off and we have, then, 60 per cent of the project that we can sell the power at market value at that time.

In terms of the opening of the Churchill contract, obviously the negotiation was influenced by the fact that we still have 15 years to go on the existing contract, so getting a counterparty or Hydro-Québec to come to the table and negotiate, when they sit there today with 15 years of power at 0.2 cents and we are just sitting here with 525 megawatts, no extra power; to get them to come to the table and negotiate a deal where we now are getting \$10 billion of NPV before 2041, I've said almost \$1 billion a year to the province, on average, over that period of time; to give us more of the Churchill power coming back to Newfoundland now, we weren't going to get that with a 15-year contract.

What we do have is a 51-year deal, which was the same deal as the 2024 MOU, in terms of time frame. When I look at it, I sort of say it really is how much time beyond 2041 do we have? And that's about 36 years because the reopening of the contract, I think, that period of 15 years is really not something you can count. That is a special circumstance here, we're getting value before the expiration in 2041.

When I look at it, in my view, 36 years beyond 2041, I think that's a reasonable outcome. We do have strong pricing, we've talked about it, I won't go through it again, escalation over those 50 years. I'm comfortable that, from a pricing perspective, we've negotiated a good deal as well.

SPEAKER: The hon. the Member for Mount Pearl North.

L. STOYLES: So the biggest flaw in the '69 contract, that's still not in it. I hear your answer but the people who are listening to the answer as well, I feel this evening that they're not going to be very comfortable with that answer, in my opinion.

Adding on to that now, fairness is not in the contract either. To save time from reading my notes, did Quebec say no to having fairness in this contract?

It's almost maddening when you sit here and you listen and we're supposed to agree, and when the Premier said trust us, we're supposed to trust the government of the day. The people of Newfoundland and Labrador are sending messages to all of us saying, we want to trust you. How can they trust us?

So is fairness not in this contract? Did Quebec say no to fairness?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, in my view, this is a fair contract. I said I believe when I put it all together that the province is the principal beneficiary in terms of this deal and the Churchill Falls asset.

You have to go back to the MOU process. There was work done to sort of decide on the value of the Churchill Falls PPA. The work that Quebec and the province did back then, decided that the value was about \$34 billion. That process included assessment of replacement power in Quebec. It included the wholesale power situation, markets, power markets generally, and we came up with \$34 billion. When the IRC did its work, they sort of said that value seems reasonable.

So when I got involved in this project, in this negotiation, when I became familiar with this \$34 billion and how it was reflected in

Schedule G, one of the priorities was not to do anything to screw that up, to be honest. Yes, we tried to lift the power prices and all that during the negotiation, but the main goal was not to screw that up because it was a fair, reasonable value that was put on the contract.

What we then did, though, was we negotiated all the material matters in the contract. This concept of fairness the last time around, I think would have been developed because there was a lot left to do. There was a lot of negotiations that had to happen post-announcement of the MOU. We've gone through that phase now. The material business issues have been resolved in this deal.

When I look at where we've landed, I do believe the concept of fairness is built into the outcomes that we have negotiated in the contract.

SPEAKER: The hon. the Member for Mount Pearl North.

L. STOYLES: Again, Speaker, if we are back in court in 10, 15 or 20 years' time, Quebec is in control again. What reassurance can this committee give to the people of Newfoundland and Labrador that if we are back in court in how ever many years time, that we are going down the same rabbit hole?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, we are not going down the same rabbit hole. We have negotiated a good deal for the province here. We have dealt with a lot of matters and I have ended up, I think, in a good spot on value in terms of \$49 billion of value for the overall deal.

The Churchill contract alone is worth \$39 billion, if you include the premium tranche component of it, which is likely even more valuable if we can use the power for mining and all that. Gull Island is worth \$7 billion to

the province and we have the federal contributions. The extra power that we negotiated is also very valuable. Then, we have transmission opportunities that we have not had before, these choices to access lines in New York, in Boston, Massachusetts and the synthetic – these are all things that we did not have before.

So, clearly, this is a completely different circumstance. I don't see the scenario that has been painted. We have to go finish the agreements, obviously, but I think, as Jennifer puts it, we are way down the field on that because of the approach we took on the DCIA versus the MOU approach, which probably was more typical back then in terms of a lot left to negotiate. But we have actually moved the ball down the field substantially. We are on the five-yard line, I guess you can look at it in football terms.

SPEAKER: The hon. the Member for Mount Pearl North

L. STOYLES: Well, Speaker, we thought we had a good deal in 1969. I say bring it to the people, as the Premier promised, the referendum. Bring it on.

In 2024, Newfoundland and Labrador Hydro board, J.P. Morgan and the Power Advisory committee said then we had the very best deal. I am not going to go home tonight and think we got the very best deal. So I am asking this committee, are you really sure we got the very best deal? Because I, for one MHA out of the 40 that are here in the House of Assembly this evening, certainly don't feel we got the very best deal with those clauses not in. I really don't.

SOME HON. MEMBERS: Hear, hear!

L. STOYLES: I don't know how I can vote yes for this deal when I feel we don't have the best deal for the people of Newfoundland and Labrador.

Quebec is winning again, and I hope they're watching this evening – I know they are. I

think they're going to end up – the words I want to use here this evening, I can't say here in the House of Assembly, but I tell you, I'm mad.

SPEAKER: Mr. Perry, do you want to respond?

B. PERRY: I'm not sure there was a question, Mr. Speaker, but I will –

SPEAKER: I think she asked if it's the best deal.

B. PERRY: Mr. Speaker, we plan our negotiations on this deal. We had a previous agreement that was announced, the 2024 MOU, there was an independent review report that was done. The report recommended things that could change in the deal. We built the recommendations from the independent report into the negotiation strategy. This strategy was approved by the province, by the board of Newfoundland and Labrador Hydro. The strategy was used by the negotiating team to negotiate.

The process was overseen by an Oversight Committee, a very effective committee. We had a very tough set of negotiations over a number of months, and I believe we landed in a good spot. I can't say to you we got everything, but that's not what you get in a negotiation. You don't get everything; it's a negotiation. But I'm confident that the overall deal that we've arrived at here is a very strong outcome for the province.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. Member for Mount Pearl North, you have seven seconds if you have a quick question.

L. STOYLES: Ms. Williams, I wondering if you feel the same way.

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

Yes, I think that was one of the questions that got asked to me at the earliest part of our appearance in the House this week. I certainly do believe, as Mr. Perry has talked about already tonight, that there were things from the 2024 agreement that we brought forward, and the Premier also talked about that, and the IRC said that we will take the things that are good from the original agreement, which we did – and Mr. Perry just talked about that with regard to the total value for the Churchill Falls PPA, which we determined was fair.

So we've added some important things over the course of 2026, as two years have passed and there is this information available to us. I certainly do believe that what we have here is a fair deal and a good deal, and I endorse it. Obviously, I signed it in August.

SPEAKER: Okay, the Member's time has expired.

Moving on to the Minister of Social Supports and Well-Being – a new portfolio.

C. TIBBS: Thank you very much, Speaker.

Speaker, I find it kind of funny that the Member for Mount Pearl North voted for the MOU deal in '24 with lesser money than there is with this deal. Maybe she wants lesser money for the province, who knows? But I'll ask this question to Mr. Perry, Mr. Speaker.

One of the things there still seems to be much confusion around is the 2 per cent escalator that was forced on the Gull Island pricing by the government in 2024 despite advice from the experts. I was wondering if Mr. Perry could please explain in simple terms how we corrected this issue this time?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, when I first, again, got involved and dug into the 2 per cent escalating model, I'll call it, I was pretty

disturbed by what I saw. It was a very complex piece of financial engineering. I found it difficult to find someone that actually supported it in terms of the experts, for example.

I immediately set about trying to fix that. We did find out in our negotiations that Quebec was looking at it completely different than what we were looking at it. There was, like, a \$2-billion difference in value, I guess, as to how each party was looking at it.

So that's an example of the complexity that this was creating. It also was creating this massive debt balloon. At year 50, it was going to be totalling \$30 billion. We set to work and we really focused on the recommendations of the IRC report, which said that they thought that we should move to a more traditional cost of service, which is the way these projects are done in the hydro business, I'll say. So we went down that path and through the negotiation process with Quebec, that's what we ended up choosing.

Now, what you have is a new project, a new approach that the power price starts out at about 17 cents for the Gull generation plant and drops down over time to nine cents by the end of the 50 years but, also, the debt is paid down over that time. It leaves just around \$5 billion of debt at the end of the period, when we're getting Gull back, our 60 per cent of it. Gull will be an incredibly valuable asset at that point, versus on the other scenario, it would be a levered asset, highly levered, lots of debt, not valuable.

The way traditional cost of service works, during the life of the contract, all the costs are paid for by the off-takers. So when people say, well, it's like the 1969 contract, no. The 1969 contract was a flat price that dropped in the last number of years from 0.3 to 0.2 per cent, but there's no pass-through of costs. In the Gull's case, under traditional cost of service, if payroll goes up, if taxes go up, they are passed through to the off-takers. Quebec will pay 84 per cent

of those costs, and we will pay 16 per cent of those costs.

The other interesting fact is, as Gull gets out and out of years, the price of power to Newfoundland and Labrador Hydro starts to come down, and Gull becomes a good choice, we can actually sell our Churchill power under the premium tranche and use our Gull power for mining, especially if we combine with our wind power to create a very valuable asset. I think we haven't really talked about those possibilities, but Gull will provide that flexibility to Newfoundland and Labrador Hydro.

SPEAKER: The hon. the Minister of Social Supports and Well-Being.

C. TIBBS: Thank you very much, Speaker.

We've had 13 or 14 highly qualified experts this week say this is a great deal for Newfoundland and Labrador. Because the former government did not listen to the experts at the time, could Mr. Perry please repeat the number that the escalation cost would have cost the taxpayers to Newfoundland and Labrador? Could you repeat the number, please?

SPEAKER: Mr. Perry.

B. PERRY: The escalation clause, it was a number of issues. First of all, it was an unsettled matter between the parties. So Quebec's view, there was a \$2-billion difference. Basically, we didn't have \$2 billion of value that we thought we had, once we sat down and started talking to Quebec.

The other piece is the structure created this large debt amount at the end of the 50-year contract. That was like \$30 billion. So when Gull is coming back to the province, it is not coming back debt free. It is coming back with \$30 billion.

What does that mean? It means that the price you get for your power after the PPA

period, you got to start wondering, is it enough to pay down the debt, or if it is enough, then there is no value. All you are doing is paying down the debt. You're not getting any real value.

With the new approach, Quebec basically is paying for the lion's share of the project. We are getting it back; we get it back with just about no debt on it. So when we market the power, at that point, at market prices, then we are getting all that value.

In the meantime, by the way, over the life of the 50 years, we are earning on our equity at 8.5 cent. The incentive payment that Quebec is paying us to access Gull of \$3.5 billion, we are putting that in as our equity and we are earning our 8.5 per cent on that equity throughout the life of the project.

Overall, I think we have simplified the approach for Gull. I think it was making the overall project a lot less risky and it is going to come back to the province with just about no debt at the end.

SPEAKER: The hon. the Minister of Social Supports and Well-Being.

C. TIBBS: Thank you very much, Mr. Perry.

Mr. Speaker, they did not listen to the experts last time and their blunder almost cost taxpayers \$30 billion. Let's hope they listen to the experts this time.

I would like to talk about jobs for a second. Before I talk about jobs, I would like to quote the Member for Mount Pearl North on January 9, 2025, when she said: "Besides that, we have a team that is going to be working together for the people to create jobs, that is what we need in this province. We all talked about the money and the benefits and everything but, at the end of the day, jobs, jobs, jobs and building our community." I could not agree more with the Member for Mount Pearl North.

Mr. Speaker, I'd like to ask the panel, how many people are expected to work on Gull Island at peak construction?

SPEAKER: Ms. Newhook.

V. NEWHOOK: The peak is just over 5,000 for Gull Island alone.

SPEAKER: The hon. the Minister of Social Supports and Well-Being.

C. TIBBS: Wonderful – jobs, jobs, jobs.

Mr. Speaker, the agreement measures commitments in person-hours. Can the panel please explain what that means?

SPEAKER: Ms. Newhook.

V. NEWHOOK: That would be the number of person-hours completed over the life of the construction period in this case. The commitment is to the greater of 20 million person-hours or 85 per cent of the construction assembly happening in province.

I will caution, I share the Muskrat Falls number for a reason, as we know there hasn't been sufficient engineering and studies progress on Gull Island. We fully expect that the number will be higher, hence why there is the greater of the 85 per cent or the 20 million person-hours.

SPEAKER: The hon. the Minister of Social Supports and Well-Being.

C. TIBBS: Thank you very much.

Mr. Speaker, what should a young person in this province expect, whether they're in Bonavista Bay or Grand Falls-Windsor, 18-year-olds, 22-year-olds, coming out of high school, what kind of trades and professions can they expect and get geared up for as they move into their future?

SPEAKER: Ms. Newhook.

V. NEWHOOK: Most of the people in this room, with the history of Newfoundland and Labrador, understand what the trades can bring to the province. Unfortunately, at this point, for a lot of people that involves rotation work to maintain continuity. We are talking about skilled trades. We're talking about millwrights and carpenters, labourers and electricians. It is really the full gambit for all of these projects. You have major civil work, you've got electrical work, outdoors, highly qualified expertise around the training for running the plants. So you really are running quite a wide variety of trades when you think about preparing.

SPEAKER: Ms. Williams, you want to comment as well?

J. WILLIAMS: Thank you, Speaker.

I just want to add, for another purpose, I just had some folks back at Hydro tally up over the five years how many co-op students Hydro has had and skilled apprentices. Again, for a different purpose, I wanted to communicate this somewhat publicly. This is all we'll call in a routine, non-major projects environment, so just from the last five years. Hydro has had 225 co-op students that we've touched over the last five years and 131 skilled trades.

So just imagine what \$50 billion can do. We are a single employer. Just imagine what those opportunities are for young people in the province and that has me quite excited.

SPEAKER: The hon. the Minister of Social Supports and Well-Being.

C. TIBBS: Thank you, Mr. Speaker.

Any of these over 5,000 Newfoundlanders and Labradorians, sons and daughters of ours, how many of them are going to be making minimum wage on these jobsites?

SPEAKER: Ms. Newhook.

V. NEWHOOK: None of these jobs are minimum wage. We all understand the competitiveness of the industry. When we talk about the number of jobs that are available, the reality is that they will be good paying jobs consistent with what you would see around a major project development. That is what is required to attract employment.

SPEAKER: The hon. the Minister of Social Supports and Well-Being.

C. TIBBS: Who will operate Gull Island once it's finished?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

Newfoundland and Labrador Hydro will be the operator of Gull Island.

SPEAKER: The hon. the Minister of Social Supports and Well-Being.

C. TIBBS: With several projects happening over many years, what does that mean for the workers themselves and how many years will that take us, all the projects combined, the wind, Gull Island, everything?

SPEAKER: Ms. Newhook.

V. NEWHOOK: So we talked earlier about, I mean, as soon as definitive agreements are signed and, quite frankly, maybe people are already starting to think about that, you will see study work and fieldwork commence to get ready. The engineering and construction period starts '26-'27 and, actually, if you take the full CF upgrades, it extends out to 2042.

SPEAKER: The hon. the Minister of Social Supports and Well-Being.

C. TIBBS: Thank you very much to the panel.

When this presentation was first given to us and we got the full lowdown on what this potentially meant for Newfoundland and Labrador, I kind of had an emotional moment with Mr. Perry myself. As a dad, as a husband who worked away for over 20 years and have so many friends that did the exact same thing, it's very humbling. It's very great to see now that many Newfoundlanders and Labradorians can stay home, and not just Newfoundlanders and Labradorians going away to work, but many took their families with them. Those families will stay home here.

I'm going to push the panel just for one moment. I'm not going to ask you in your executive roles, I want to know what Barry, Vanessa and Jennifer think about this deal as a Newfoundlander and Labradorian and how proud they were to serve this province?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, that's a tough one.

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

I want to hear Mr. Perry. If you have conversations, take them outside.

Mr. Perry.

B. PERRY: Mr. Speaker, my daughter last week, or two weeks now I guess, just moved to Vancouver. She's an engineer. She's 30 years old. I want her to come back, and I think this is part of that. I think building momentum in the province, having more than one industry moving forward – mining, hydro development, offshore oil – starts to drive other things in the province and broadens out the scope of jobs for everyone. That's what attracts young people.

Maybe they don't all want to be in resources. Maybe they want to be in

technology or other industries, but you need economic growth to allow that to happen.

From my perspective, this is in a sweet spot. We start to get multiple industries moving forward at the same time. Hopefully my daughter doesn't get too happy with Vancouver and she comes back to Newfoundland and Labrador real soon.

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

I have a similar story. I have two daughters and my oldest just graduated engineering in the spring. The first week of September I brought her to Halifax to start her career with three of her very good friends – two other engineers and a B.Com. So we're driving them, the talent that came up through here, all Memorial graduates, and we're bringing them to Halifax to their booming economy – or at least it appears to be a booming economy. But jobs, jobs, jobs there.

I've got another daughter who graduates, also from engineering, in a year and a half and I'm very similar to Mr. Perry. We have the opportunity to be exactly that. Not only to stay home, but to bring a whole bunch more people here, which has a positive impact on paying for a lot of us in 10- and 20- and 30-years' time when we need our health care paid for.

Now that is not my mandate, but certainly, working in a Crown corporation, you can't pull that from your mind, what the opportunities are for this deal and for the organization that I work for and certainly for the government.

So I feel very similar to Barry, is that this is a wonderful place to be. We're all here. We all would love to probably stay here and have our families here. It's a great place to live. I am hopeful that – and I know people say don't use the word "hope," but I do hope that we can do something here that has me

picking her up with her friends, in our trailer, coming back over the ferry and staying here for good.

SPEAKER: Ms. Newhook.

V. NEWHOOK: Thank you, Speaker.

I'm going to approach this question slightly differently. Anybody who knows me knows whether it's my personal life or a professional problem or negotiation, I do the alternative assessment. So I will always look at what are my options, and I will look at what –

AN HON. MEMBER: (Inaudible.)

SPEAKER: Okay.

Please continue.

V. NEWHOOK: – are the other sides options. I consider myself privileged to have been asked to be involved in this work because I've had the opportunity to see that work from the inside, and you can't negotiate in public. So there are a lot of people who have a lot of questions and who perhaps believe that there are other alternatives.

For me, when I don't understand things, or when I don't have the expertise, I've had the privilege to be able to sit down and have conversations with people to understand, and I get comfortable with things like benchmarks or costing, to get me comfortable with why I believe this is a good deal.

So when you ask me how I feel about this personally and the opportunities that may come, it is really about do I think that there is something that is better than what we have here that would make up for what you would lose in the interim. On the balance of all the probabilities when we think about the opportunities that could be available for the province, specifically for the areas in Labrador, it is really hard for me to think

about something that is so materially better that makes this alternative not worth pursuing at this point in time.

SPEAKER: Thank you, I appreciate it.

The hon. the Member for St. John's East - Quidi Vidi.

S. O'LEARY: Thank you, Speaker, and thank you certainly to the negotiation team.

Jobs, jobs, jobs – it's not the first time that this has been proclaimed in this House of Assembly, I'm sure of that. I'm sure if we went through *Hansard*, we have heard that statement over and over again. I certainly hopeful, as well, Speaker, as a mother of a son who is a welding apprentice who has been unable to get any apprenticeship work, I am hopeful, but I am also skeptical.

With that, I just wanted to address that issue. We all have stories. We all have family members who are heavily relying on the impact of the economy.

Having said that, we have heard that there was an analysis done to examine the extent to which power generation from Churchill River should provide financial versus economic value to the province over time. Could you share some of the major conclusions from that study and, if possible, who authored it?

SPEAKER: Ms. Newhook.

V. NEWHOOK: I think I referred earlier specifically, the Department of Finance, the Department of Energy and Mines, along with Newfoundland and Labrador Hydro completed an analysis with information available based upon what I would call advanced mining discussions and proposals provided to understand the basis for what mining demands would be around power requirements.

There were some more scenarios for additional known deposits and mineral

interests in the area to think about what could be additional developments. The Department of Finance has a division – I know this from my previous work with government around project negotiations – where they would standardly look at what major developments look like, what the job opportunities would be, what the direct and indirect spin-offs would be.

So they completed the analysis to assess what is the value from a GDP perspective, jobs, taxation direct and indirect. It was a combination of understanding what the value could be to determine that, in all likelihood, the majority of the time, the optimal value for the province is to try to use the power in province.

Then the determination was, what does that line look like in terms of what development could be to determine when power should be available? Then there was a discussion about – we talked about a little bit earlier – balancing and not retaining so much power that we had paid for it, as a province, and then potentially did not have a use for it. Because that is one of the premises of the deal that I feel is not well understood or perhaps lost sometimes.

The Province of Newfoundland and Labrador and Newfoundland and Labrador Hydro pay the same price as Hydro-Québec to CF(L)Co. There are other ways that we get returns back through our ownership but, at the outset, we are paying the same price, so trying to find that balance.

I think I covered all the components of your question.

SPEAKER: The hon. the Member for St. John's East - Quidi Vidi.

S. O'LEARY: Thank you, Speaker.

Value – we've heard a lot about value and understanding there are different ways that this – and that's why I'm bringing that forward and questioning that. Last evening

in our Question Period, I asked some questions that I am now going to ask you because I didn't get an answer.

Could you explain why the environmental impact statement for Gull Island, which was cleared from review in 2012, has not expired yet? Are you confident an updated assessment isn't needed, considering the climate change that we are experiencing, not only in our Province of Newfoundland and Labrador, but, in particular, in Labrador, in the area that you're dealing with specifically?

SPEAKER: Ms. Williams:

J. WILLIAMS: I'll answer a slightly technical piece about climate change. I believe in climate change; I want to say that at the outset. As one human on the planet, I do my best to make the right decisions. Certainly, my job then, if it's part of my mandate, I do what I can there as well.

However, I just want to make a quick comment that in Labrador, in particular, we are in what we believe to be a drought, and on the Island – I don't know if it came up in the House this week of not, various conversations are blurring for me – the Island actually is having above normal inflows into the Hydro reservoirs this year.

So you could have these different effects, but certainly over the last number of years, Labrador has been in drought. It was proceeded by significant, way above average water. So there is a difference in drought versus climate change. Time will tell. Sometimes it will take us decades for that. So I just wanted to address that, in particular.

All that to say is that climate change is real. It is happening and we have to understand that.

I believe earlier this week I might have been asked a similar question. At this stage, we believe that it holds but we are going to go

through the appropriate processes with government to confirm that and it will be up to the officials and the experts, but that is their job, to provide for that final assessment.

We believe that to be the case, but obviously we cannot make that determination ourselves. We will work with government and the right officials to make that determination.

SPEAKER: Mr. Perry, do you want to comment as well?

B. PERRY: I will add one thing because maybe it is not fully understood, when people talk climate change, I think sometimes they think we are going to lose water and maybe there will be less generation at Churchill. I just want everyone to understand that that risk is Hydro-Québec's risk.

So the payments that we have negotiated under Annex D, they don't change if water doesn't show up. Hydro-Québec takes that risk over the life of the contract.

SPEAKER: The hon. the Member for St. John's East - Quidi Vidi.

S. O'LEARY: Thank you, Mr. Speaker.

I am very pleased to hear somebody in this House of Assembly say that climate change is real. Thank you for that.

My final question would be, what is the negotiating team's estimate of the total economic rent generated by existing Churchill Falls power from September 2041 to the end of the proposed PPA and what percentage of the economic rent accrues to Newfoundland and Labrador under the DCIA?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, we don't have the information to calculate (inaudible) at this point.

SPEAKER: The hon. the Member for St. John's East - Quidi Vidi.

S. O'LEARY: Thank you, Mr. Speaker.

My apologies, my colleague and I had just mentioned – could you repeat your comment?

SPEAKER: He said he never had the information, I believe. He does not have it.

Mr. Perry.

B. PERRY: (Inaudible) we don't have the information to do that.

S. O'LEARY: You don't have any information? Is it possible to avail it for tomorrow?

SPEAKER: Mr. Perry.

B. PERRY: It is just that we have to define the terms and all that, Mr. Speaker. You would have to send me the question with the defined terms and all that.

SPEAKER: The hon. the Member for St. John's East - Quidi Vidi.

S. O'LEARY: Tomorrow, with respect to the House of Assembly, we are casting a vote on this and this is a question that we have been invited to come and flesh out these questions. I just wondering how we can approach this.

SPEAKER: Well, as the Speaker, obviously, I don't the authority to direct anyone to do anything like that. I would just say that, if he doesn't have it right now, perhaps you can connect after we're finished the session and if he wants to provide it, I guess he can. That would be my only suggestion.

S. O'LEARY: Understood. Thank you, Speaker.

This was a question that has been asked to me several times from various constituents, that's why I bring that forward. I appreciate that.

SPEAKER: Do you have any other questions? You said that was your last question.

S. O'LEARY: Yes, actually, I do. I realized I have time here, so I will continue.

Thank you, Speaker.

SPEAKER: Okay.

S. O'LEARY: How flexible is this three-year notice period for recall? If Newfoundland and Labrador Hydro puts in a recall request for premium-priced power for a new mine and two years later that mine is scrapped or gets put on hold, can we cancel the notice? Do we have to sell the power at the discounted rate while we wait and see what happens for the stalled mine or for three years while we waited out the notice period to sell at premium pricing (inaudible)?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, as soon as we would find out that the mine was stalled, we could give our notice to Hydro-Québec to put it back into, what I'll call, the power bank. As Ms. Williams mentioned, it's highly likely that the power purchase agreement that we would be negotiating with the mines would have, I'll call it, a penalty clause that says if you change your mind and you cost Newfoundland and Labrador Hydro this 5 per cent discount factor, you have to pay it. I think that will mitigate the 5 per cent discount that we would have to pay in that circumstance.

SPEAKER: The hon. the Member for St. John's East - Quidi Vidi.

S. O'LEARY: Thank you.

Speaker, we heard that a study has been completed to determine what Labrador's electricity needs would be if the Labrador Trough would be developed. Can you tell us what assumptions informed the calculations, like the number of mines operating, the amount of power they would need and when they would come online?

SPEAKER: Ms. Newhook.

V. NEWHOOK: I will be careful because some of that information is proprietary, so it's not intended to frustrate.

The department and Newfoundland and Labrador Hydro have the benefit of – it's quite typical that a company, when they're thinking about these things, would come in and have conversations. When you're doing these analyses, you'll often use information that you have available for internal purposes.

I couldn't speak to specific numbers for a particular mine because that would have been obtained and needs to be protected from a proprietary information. That was why I used the term information from, sort of, known advance conversations where companies are in talking about what their power needs would be. You will have often heard through the last couple of days the example of Kami and using multiples, because that was information that we could use publicly.

Is there any typical mine? Probably not, everyone is different. It's the size, it's the activities and what you're doing. It enabled us to look at what power could do from a multiples perspective. That was the basis of the analysis, using what was known about mines, making scenarios of what additional mines could look like related to additional opportunities that are under discussion in the Trough.

SPEAKER: The hon. the Member for St. John's East - Quidi Vidi.

S. O'LEARY: Thank you, Speaker.

Circling back again now, have there been studies or projections done as to the water reservoir capacity over the next 10, 20, 30 years? Again, going back into the climate aspect.

SPEAKER: Ms. Williams.

J. WILLIAMS: Yes, thank you, Speaker.

I'm assuming it's in reference to the CF reservoir, yes? At this stage, there is some research or some studies done that suggest that climate change might actually deliver additional energy. There's also, potentially – as you would see just by watching the news – risk that it could come in flashier, I'll say, like bigger dumps. So the ability of the reservoir, which certainly the CF reservoir has that ability, you can catch that.

If you have smaller hydro plants that have very small reservoirs, it's harder to catch. In this instance, potentially the benefits of climate change could be more water. There is some early analysis that shows that we're not at risk of less, but we potentially could get more. How it comes into the reservoirs is certainly to be determined, but there is some modelling of what it could be.

SPEAKER: The hon. the Member for St. John's East - Quidi Vidi.

S. O'LEARY: Speaker, we also heard that there was an analysis done to examine the extent to which power generation from the Churchill River should provide financial versus economic value to the province over time.

Could you share some of the major conclusions from that study, and if possible – oh no, I already asked that question. My apologies. That's the one that I was looking for there.

That's it for me.

Thank you.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Thank you, Speaker.

I think it's been about 45 minutes since I asked my last questions, so I just want to refresh people's memories that I ended up asking what would this new agreement mean for Labrador 10 years from now? The answer was, well, we would be commissioning the assets. We would be generating all this new extra power, electricity. We would also be going into post-construction where people would start to get laid off from high-paying jobs.

Speaker, the difference between what happened at Muskrat Falls when it was over and people in the region were laid off is, now, with this new energy, there will be new mines, mine expansions and other larger businesses. In actual fact, there would be new jobs being generated post-construction. This leads into my question; I do have a question.

That's what it would look like if we actually did this new deal, but there are Labradorians out there telling me we should wait until 2041.

SPEAKER: Minister, you need to get to the question. You're already over your minute.

L. EVANS: There are Labradorians telling me we should wait until 2041. What would happen if we waited until 2041, compared to signing this new deal?

SPEAKER: Ms. Newhook.

V. NEWHOOK: So I think we've talked a lot about this over the week and I think what the minister is referring to is the fact that for Labrador, in particular, where the

development happens and where the jobs around the hydro transmission developments happen, what you're really losing is the monument that is in the country right now around the opportunity for development. You need the transmission line. You need power to put on the transmission line. It takes time to build the transmission line and an agreement to make the power available, the sorts of timelines we've identified. So when there are delays, you delay starting any of that and there is the risk that you lose the momentum around the current world events and the activities to support mining development in Labrador West.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: My next question would be, what message does this new agreement send to Labradorians who have felt left out of the benefits of Churchill Falls?

What I'm talking about is, I'm told that under this new agreement, the province controls this power and more of the benefits will flow home. What message does this new agreement send to Labradorians?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, I think there's a loud message. I'll use the Innu Nation as an example. The value of this new contract is immense to the Innu Nation. Currently, under the New Dawn Agreement, they're getting obviously a share of the cashflow of Churchill Falls, but at 0.2 cents a kilowatt hour, that's pretty darn low. Now the contract is repriced. Every year, the cash to the province is going up and the Innu Nation will get an increasing share of that payment.

In terms of the other flexibility that we've talked about of the new monies coming to the province, the choices that can be made that are not able to be made today will be there for the province.

This is substantial sums of money and it's not just about the jobs, though the jobs are great, but we had to get the contract priced appropriately. We've now successfully done that so that we have the jobs and we have the price for the power, so we have both.

I think that combination is going to really create a better place in Labrador for everyone and for the rest of the province as well.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Thank you, Speaker.

Compared to the 2024 MOU, why is this new agreement the right agreement for Labrador? What I want you to do in the answer too is explain a little bit about – we've been saying on this side, this deal brings us more power, more transmission, more value. Also, we're seeing in your answers more control and more benefits, flexibility.

You may be repeating yourself, but not everyone was watching earlier today and yesterday, but there are a lot of people watching tonight. Would you just be able to explain why this is the right agreement, the right deal for Labrador?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, these developments are in Labrador. When you think about the upgrades at Churchill, the Gull Island project, the wind farm, the transmission associated with Gull Island, the transmission to Lab West, all of these things are going to be going ahead in the next 10 to 15 years.

We've negotiated an increase in our power allotment from 525 megawatts to 2,750 megawatts. That's over 2,000 more megawatts of power to be used in Labrador to power industry, mines. For Labrador, this

is where most of it is going to happen. The value, the jobs are going to be occurring in Labrador, so I think it's an exciting time.

Someone said along the way, there are 20 years of work here in Labrador, basically. There's probably more than that, depending on mine life and all that. I think it's a tremendous opportunity for Labrador. Clearly, it's got to be done right, the planning has to be done, all these things, but we have the time to do that. We just have to get through this deal, get the planning right.

The wind is a feasibility study; planning is underway for Lab West already; Gull Island has to go through a sanctioning process. So there's some time here to do the work to make sure Labrador is set up well to take advantage of all the positive things that are occurring here.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Thank you, Speaker.

I was hoping for a shorter answer, actually, like exactly how much more power, exactly how much more transition, how much more value because it's tremendous compared to the 2024 MOU, what they were offering us. So I just wanted Labradorians to hear that, but I guess we'll have to do a couple of clips and then tell them.

B. PERRY: Sorry (inaudible).

L. EVANS: No worries, but I think people are getting the message.

Just changing up the questions now. What will the benefits reporting framework include? Just for the people out there.

SPEAKER: Ms. Newhook.

V. NEWHOOK: The benefits framework would include the typical requirements

around number of hours, type of occupations, location of work and residency of an individual. So you get a pretty good breakdown of what work is happening where, who is in the job and the types of jobs by hours. Then, there are some other descriptive characters that are always collected for reporting and statistical reporting purposes.

SPEAKER: Ms. Williams, do you want to comment?

J. WILLIAMS: Sure. I would just add a couple of things and I think Ms. Newhook was probably going to go there, for example, gender and Innu Nation members. We'll also be reporting on what the benefits are to businesses in Newfoundland and Labrador. So just a few additional pieces of information will certainly be captured.

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

L. EVANS: Speaker, the reason why I ask that question is because I need Labradorians out there to know that we will have access to records and data. When we talk about the impact and benefits agreement for the Innu to get jobs, when we talk about the benefits strategy where Innu get jobs first, Labradorians and then Newfoundlanders, there's a way we can monitor that. That data will be out there. I just want Labradorians to know that.

What will the women's employment and diversity plan require?

SPEAKER: Ms. Newhook.

V. NEWHOOK: Consistent with what is contained in the benefits strategy, that will have to be approved by the minister responsible at the time with the province. What is typical is a plan for specific inclusion, and participation from a training perspective, opportunities and then reporting. That is consistent with what would

be required today and will be a very specific plan particular to the job site.

I will say it was very interesting to me, in conversations with Hydro-Québec, that they are very sensitive to this and also talk about it very much from a safety perspective, highlighting the need for a variety of people and to pull on all your best resources on the site. So it's very important that people come to a safe work environment.

SPEAKER: The hon. the Minister of Labrador Affairs for a quick question.

L. EVANS: Speaker, I did ask that question because I wanted people to know that we can measure our goals looking at safety, inclusion, diversity, women, gender equity, employment. It's so important.

Just another quick question now. How does the agreement make sure that Labrador companies share in the work?

SPEAKER: Ms. Newhook.

V. NEWHOOK: There is a requirement for all subcontracting activity and procurement opportunities to be provided to Newfoundland and Labrador companies.

SPEAKER: Minister, we might have two or three seconds left on –

AN HON. MEMBER: No, we don't.

SPEAKER: No, we don't.

The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

Given that we have 18 minutes of our time left, and we had two or three Members that had prepared questions, I'm going to ask the Government House Leader if they would grant us leave while we have the panellists still here on the floor, as we know that this is

the last moment that we will have a chance to ask questions.

SPEAKER: Does the Member have leave?

L. PARROTT: (Inaudible.)

SPEAKER: Are the panellists willing to stay for another 20 minutes or whatever?

Are all three panellists fine with that? Yes?

I just want to clarify, do we have leave of the whole House, unanimous consent for that?

L. PARROTT: Yes.

SPEAKER: We do, okay.

The hon. the Member for Burin - Grand Bank.

P. PIKE: Thank you, Speaker.

The government have been touting the benefits of a 15 per cent reduction in electricity bills for the province's citizens if this deal is ratified. Although it's not something the negotiating team would have in part in, but does the negotiating team feel that the deal requires an incentive like that or should it be able to stand on its own merit?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, I really don't want to comment on that, but I will say it is an example of what flexibility this new deal gives to the province, and it doesn't matter who's in government. Going forward, the cash flows from Churchill, from all the parts of this deal, are going to allow the province to have more flexibility in the future to make decisions on what to do with these amounts.

I will say the amounts are very low risk. They're not subject to commodity prices and things like that. So when you look at that Annex D and you look at the payments that are there, you can easily calculate, the

province can, its all-in take to Treasury by year and make the decisions that the province wants to make in terms of where these funds will be spent. Do we pay done debt? Do we put it into health care? Do we lower power rates? These are all decisions that the province will have more flexibility in the future to make.

SPEAKER: The hon. the Member for Burin - Grand Bank.

P. PIKE: Thank you, Speaker.

A major concern for Newfoundlanders and Labradorians is that they will still pay twice as much for electricity per kilowatt hour as Quebec. In the opinion of the negotiating team, was there any potential in negotiations to impact the price per kilowatt hour?

SPEAKER: Mr. Perry.

B. PERRY: Again, the value that the province is receiving here can be used, if the government does make a decision in the future, to provide rebates, lower power rates, that's a policy decision of the government.

I don't think it's a perfect comparison to say Quebec's 8 per cent and we're 16 per cent. There are a lot of other assets in their system that allow them to have that lower rate. They are subsidizing their rates from profits, from their hydro businesses, no question about that. That is a choice, in the future, that the province can make, because of now the new freedoms that we'll have with the cash that will come from this deal.

SPEAKER: The hon. the Member for Burin - Grand Bank.

P. PIKE: Speaker, did any members of the negotiating team have any conversations with the Premier or his team about the referendum?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, I can say for me, no. Jennifer (inaudible)?

SPEAKER: Ms. Williams. No, yes?

J. WILLIAMS: Thank you, Speaker.

There were no conversations with me about a referendum.

SPEAKER: Ms. Newhook.

V. NEWHOOK: I've had no conversations about a referendum with the Premier.

SPEAKER: Thank you.

The hon. the Member for Burin - Grand Bank.

P. PIKE: Speaker, did any members of the negotiating team advise the Premier to walk back on this promise?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, no, absolutely not. This is a real political decision for the Premier. I had no advice for him on that.

SPEAKER: Do you want to poll the other two as well?

P. PIKE: Yes, I will.

SPEAKER: Okay.

Ms. Williams.

J. WILLIAMS: Thank you.

This is terrible. Can you just repeat the question for me, please?

SPEAKER: The hon. the Member for Burin - Grand Bank.

P. PIKE: No trouble.

Did any members of the negotiating team advise the Premier to walk back on his promise?

SPEAKER: Ms. Williams.

J. WILLIAMS: Thank you, Speaker.

I did not advise the Premier on anything to do with the referendum.

SPEAKER: Ms. Newhook.

V. NEWHOOK: I did not advise the Premier on any advice to do with the referendum.

SPEAKER: The hon. the Member for Burin - Grand Bank.

P. PIKE: Thank you, Speaker.

When did you know the Premier was not going to proceed with the referendum?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, I was there when we had a caucus meeting. I think it was the first caucus meeting I ever attended, I was giving an update. I think it was right at the same time around the announcement.

The Premier told the caucus – and maybe I'm not even allowed to say this; maybe this is confidential but I never saw a more emotional man. It was really an amazing moment, from my perspective, on how he informed his caucus about it and saying it was his decision. I know it weighed on him a lot. But I have to acknowledge I was in the room when I heard that.

SPEAKER: The hon. the Member for Burin - Grand Bank.

P. PIKE: Thank you, Speaker.

The Minister of Energy and Mines has said in this House that they don't want this to be a fly-in, fly-out project, which we agree with. The key principles in Annex L, however,

which deals primarily with jobs, use the language "in Newfoundland and Labrador" rather than "by Newfoundlanders and Labradorians." Is the negotiating team concerned that language could permit Quebec to bypass the hiring protocol and fly workers in for the project?

SPEAKER: Ms. Newhook.

V. NEWHOOK: So the language has to be read in totality as the clauses work together. These are pretty standard clauses for any of our major development projects where there is a requirement for the amount of work that has to take place in Newfoundland and Labrador and then a subsequent requirement for how the hiring protocol applies.

Obviously, there is always the requirement for qualified workers around specific individual jobs. And given the number of jobs, if we see all of the development around what I call the hydro-related projects and then on top of that the mining, do I expect that there will be people working on these sites that are not Newfoundlanders and Labradorians? Yes, because they are not born yet. But practically speaking, the hiring protocol will be applied.

SPEAKER: The hon. the Member for Burin - Grand Bank.

P. PIKE: Mr. Speaker.

I know this has come up a few times, but just to have it repeated. Our constituents are asking us to confirm that the price Quebec pays for power from Gull Island, there's no escalator. Is that correct?

SPEAKER: Mr. Perry.

B. PERRY: The price that they pay starts out around 17 cents and over the life of the project goes down to about nine cents. The escalating approach just created too much of a debt balloon at the end of the contract – \$30 billion.

So now we have a contract that Quebec pays the lion's share of the cost. There's a flowthrough of all costs on an annual basis to the off-taker, principally Quebec, and we get the project back after 50 years, near debt free, basically. It's a more standard approach to it.

SPEAKER: Mr. Williams.

J. WILLIAMS: Yes, and Mr. Perry mentioned, but I want to underline, is while the price as he mentioned, that is the profile – and he's mentioned it but I want to be really, really clear as folks try to make comparisons to 1969 – is the 1969 agreement did not allow for any increasing costs of running of the plant.

So as people negotiate new labour agreements and then get a 2 per cent or a 3 per cent increase each year over a period of time, as we contract people to come in and do major maintenance, as those costs go up over time, those do indeed escalate, likely, over time and all of those costs will be allowed to escalate over time.

None of that is prevented and that is very different from the 1969 contract, which did not allow for any escalation of the operating costs of the CF plant.

SPEAKER: The hon. the Member for Burin - Grand Bank.

P. PIKE: Speaker, the DCIA outlines six fundamental principles to be adhered to. The sixth fundamental principle says: "The Parties agree that it will only be through transparent communication, coordination and collaboration with one another and with other key interested parties that the five principles above will be achieved"

The people of the province are the key interested party, who have shouted from the rooftops that the process has not been transparent, has been rushed, and they have not been consulted. Does the negotiating team feel that this fundamental

principle outlined in the DCIA has been met from their perspective in the process?

SPEAKER: Mr. Perry.

B. PERRY: Speaker, yes, I do believe, as the lead negotiating team member, the process was not rushed. We prepared well, we had a negotiating strategy, we had a good governance framework and we proceeded through our negotiations.

It was difficult. We had impasses. We had arguments and all these things that you would expect in negotiation of this significance, but we did get to a deal. I think it is a very good deal for the province. It is being communicated to the province. We're here, this is our third day in the House of Assembly, going through it. It still needs to get to definitive agreements.

We think we have a deal that's much further ahead than the last process. I use the term it is much more enduring. We've settled most of the business issues. All of the major stuff is done. I anticipate that getting to definitive agreements will be much more efficient than the previous MOU that had still many issues that had to be resolved.

As a lead negotiator, I am comfortable that we've followed the strategy and the deal that we have announced and communicated is a very good deal.

SPEAKER: The hon. the Member for Burin - Grand Bank.

P. PIKE: Thank you, Speaker.

Mr. Speaker, is it correct that Mr. Perry was appointed on May 19, 2026, marking the start of his role in negotiations?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, I think it was earlier than that that I got involved. I think it was late April, early May I started having

some conversations, getting materials, that kind of thing.

SPEAKER: The hon. the Member for Burin - Grand Bank.

P. PIKE: Okay, we have that it was May 19, marking the start of your role in the negotiations.

Ninety days later, the new DCIA agreement was signed on August 17; is that correct?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, Vanessa just mentioned, too, that was probably the day I signed my contract with the government on May 19, but I would have had started the process before then. That may be the case, so that's just from a date perspective.

Again, no, we had a good process upfront. I had the benefit of having the previous MOU. The team, Jerome and Jennifer, obviously, were very familiar with the issues. We had the IRC report which was a very detailed report, analyzing the previous MOU and making recommendations that we used to formulate our strategy.

That strategy got approved by the province and by the board of Newfoundland and Labrador Hydro and we commenced negotiations in early June with Hydro-Québec. Clearly, they were very familiar. They didn't need to get up to speed. We started with them in earnest and we made the first proposal and then it just kicked into gear. There were iterative proposals over time. We negotiated through issues. Several times there were comprehensive proposals exchanged between the parties.

Overall, I don't think it was rushed. I think it was a difficult negotiation. I think we've ended up in a good place and, with all of that, we settled the material business issues. If we wanted to do another 2024 MOU, we would have been done earlier

than that because it took time for us to negotiate major clauses in all of that.

I think that it was a very well-executed process.

SPEAKER: The hon. Member for Burin - Grand Bank, a very quick question.

P. PIKE: I just want to point out a couple of things and I will get to the question.

SPEAKER: You are out of time.

P. PIKE: I still got a question.

SPEAKER: Well, ask the question, quickly.

P. PIKE: Basically, do you think we had enough time – you've been part of many deals, and I have a list of those here that I did not get to. That is something I wanted to do, but we knew that we would not have time because –

SPEAKER: We need to get the get to the question, I say to hon. Member.

P. PIKE: My question is, do you think the allotted time, given the deals you worked on and the length of time it took you to come to those deals, to finish them, do you think that target date for this agreement was long enough?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, yes, given that we weren't announcing a final agreement. We were announcing a new Definitive Cooperation and Implementation Agreement. It is still a non-binding agreement. So we got to work on getting it to definitive agreements now. We have set an initial deadline of December 31. We have option to extend that to March 31 and then, after that, it would have to be both parties to agree to extend it.

Given that it was sort of this non-binding approach, even though we worked on it to

get all the material issues resolved, clearly, if we were heading to definitive agreements, it would have taken a little more time. But that is not the process that we were involved in.

SPEAKER: Thank you, Mr. Perry.

I thought there was leave for 18 minutes, it is 15, so who had the other three? Is there someone else that had three minutes or something? When you asked for leave it was three minutes; it's 18 so –

AN HON. MEMBER: (Inaudible.)

SPEAKER: Okay. Set the clock first of all for three minutes.

The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Thank you, Mr. Speaker, and I thank the Members for allowing us a little leave to ask those questions.

This question is for Mr. Perry. When you were negotiating all those deals with Fortis that you mentioned earlier – and congratulations on those – most of them took in the hundreds of days to pull together. At the end of this process, by December 31 – the ITC one is an example, it took 234 days. We are only at 135 days left or so before December 31. You said earlier to my colleague that should be enough time.

How many deals have you been a part of that were able to be done in that 90-day, 120-day period of this magnitude?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, I don't have the dates on the various deals, timelines that we did. In the case of ITC, for example, there were multiple state regulators, the Federal Energy Regulatory Commission, FERC, in the US that was involved with these processes.

From that perspective, I don't think they're directly comparable. They were all difficult deals to get done, but we executed pretty quickly at Fortis. We had a very nimble organizational structure, and we could make decisions quickly. There was not a lot of committees.

Initially, when I worked for Stan, he didn't like having meetings, so I had one decision-maker. It was him, and then I became the decision-maker. We executed really quickly, and that's how I approach this set of negotiations from a business perspective. I had good teammates. Jennifer, Jerome and myself, I would say we were diverse.

I really do not believe we rushed things. We worked day and night, no question. I lost 20 pounds during the process, so hopefully I don't put that back on, but anyway.

SPEAKER: The hon. the Member for Virginia Waters - Pleasantville.

B. DAVIS: Good for you on the weight loss. That's excellent.

The DCIA agreements are worth more than all of Fortis combined, as you've said earlier, and negotiated in a fraction of the time without informed knowledge of where the mandate came from with respect to the Public Utilities Board oversight from project development.

I'll get to my question in one second. Why is it that the standards at Fortis are higher than the government's standards, and all of these projects that you negotiated in your Fortis time had to be voted on here in Newfoundland and Labrador as the headquarters by all the shareholders from all over the world – I just ask, does it seem that this should be something that should be done for a deal of this magnitude?

SPEAKER: Mr. Perry.

B. PERRY: Mr. Speaker, again, I just go back to I don't believe the deal was rushed.

I don't believe it's directly comparable to the examples that the Member is putting forward. We had an approved strategy that was based on using the inputs of the previous MOU plus the IRC report. I felt I had an approved strategy. It was approved by the province, approved by the board of Newfoundland and Labrador Hydro. The Premier's directions around more value, more power, more transmission, were simple concepts to drive forward our negotiations.

We were aggressive with Quebec and I think that aggressiveness and persistence pried loose some really good opportunities for the province. So I really believe the way we approached it was strong and I don't think there was a better way of doing it.

I'm very comfortable with that and I think we've ended up in a really strong place.

SPEAKER: Thank you, Mr. Perry.

With that said, that ends this part of the session. I want to thank all three panellists once again for attending this evening and taking all the questions, and certainly to Ms. Williams and Mr. Perry, you made multiple visits and we certainly appreciate all of you for doing that.

With that said, we will now be moving forward with Question Period but before we do that, we're going to give our guests an opportunity to depart and we're going to recess the House for approximately five minutes.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The House is now in recess.

Recess

SPEAKER (Lane): Order, please!

Questions to Government Ministers

SPEAKER: The hon. the Leader of the Official Opposition.

SOME HON. MEMBERS: Hear, hear!

J. HOGAN: Thank you, Speaker.

We heard today that the Oversight Committee had no independent advice, so what that means is they only spoke to the negotiating team and relied on their numbers and their assumptions. So there was no challenge function, nothing to compare the deal to and measure it against other options.

I ask the Premier: Why should Newfoundlanders and Labradorians accept this as the process?

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Speaker, the Oversight Committee were given the freedom to engage whoever they wished to engage with and they certainly did, as was explained today, use their professional judgments, their professional expertise and they were completely with the work they did.

What we are talking about here, Speaker, is the benefits to the people of Newfoundland and Labrador. We're talking about the jobs, the jobs that are going to be available to hundreds of thousands of Newfoundlanders and Labradorians.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Not just now, Speaker, but in decades to come. That's what this is all about, Speaker. It's about the future of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Speaker, it's about trust and accountability and there's very little of it.

Speaker, even if the Premier does somehow believe this is independent, it is clearly not. The Premier personally appointed the negotiating team and he appointed the Oversight Committee. Nobody else was involved. No independence.

I ask the Premier: Why should Newfoundlanders and Labradorians trust this Premier?

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Speaker, what we have in front of us is an agreement that has already been talked about many times and has the support of so many people across the Province of Newfoundland and Labrador and elsewhere, including former Liberal premiers.

Let me quote you what a former Liberal premier, premier Dwight Ball, had to say about this new agreement: By far and away now, the best one. We'll take the mulligan and I think they've come up with this one. The 2024 MOU was the bad first shot. A big, big day for the province and the whole country.

That's what this (inaudible).

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Zero for two, despite the Premier saying in the media today that he answers the questions as they're given to

him, but he doesn't answer the questions that are given to him. He answers whatever he seems to hear in his head, because this gets worse, as it does every time with this government.

The Premier admitted to the media that he not only picked the Oversight Committee, but the recommendation for the Oversight Committee also came from the negotiating team. They hand-picked the person who's going to review their work. If my daughter's teacher let her grade her exams, guess what? Maggie is going to get an A plus.

Why should Newfoundlanders and Labradorians trust this Premier?

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Speaker, we have an agreement that has been reached between the Province of Newfoundland and Labrador and the federal government. The Liberal Prime Minister of Canada supports this agreement.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Can the Member opposite – does he not confirm, because he doesn't like me saying it anymore, maybe he should say it, that this agreement actually does provide more value, more transmission and more power.

Let's talk about value for a second, \$225 billion, that's what was in the old one; \$273 billion in the new one.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: It's all about jobs.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Three questions, zero answers, one political soundbite.

The Premier's Oversight Committee had no requirements to report to the public, so only the Premier and his Cabinet get to know what the Oversight Panel said. Surely, this makes it completely irrelevant and provides zero comfort to the public.

What good is oversight that no one can see? Premier, can you answer this question rather than one you made up for yourself?

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Speaker, what I will continue to say is we have delivered for the people of Newfoundland and Labrador. We have a federal government that has committed over \$3 billion to Newfoundland and Labrador. I ask how much was in the previous deal? Zero.

We have the federal government that has made a significant investment. The prime minister continues to talk about this project, continues to talk about this agreement.

Yes, we have delivered for the people of Newfoundland and Labrador. I've already talked about more value. Let's talk about the more power, 1,960 megawatts, now we're up to 2,750 megawatts.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: That's keeping the commitment. That's improving the lives of Newfoundlanders and Labradorians.

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Zero answers and four questions.

We heard today that the chair of the Oversight Committee said his role ended

when the agreement was signed, something that we didn't know because, of course, the Premier didn't bother to tell Newfoundlanders and Labradorians. Only after we find out in the media, the Premier says he intends to have another oversight process in place.

Why does the Premier make everything up on the fly, only when he gets caught publicly by the media?

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Speaker, I was asked a question, I answered it. Surprise, so here we go again. Here we go again, Speaker, here we go again.

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

PREMIER WAKEHAM: The Leader of the Opposition would like me to answer the question; I will tell him. We will put a new Oversight Committee in place. We will deliver a new mandate for that committee and we'll add more people to the committee. We're looking at that option.

I can confirm already that the three members of the existing committee have agreed to stay on.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: He did answer. He confirmed he makes things up on the fly.

During the last Churchill Falls debate, the now Premier said: "A PC Government that I will lead will ensure a thorough independent review is conducted before any final contracts are signed."

Speaker, I ask the Premier: What happened to this commitment, or was it on the same page as the referendum promise that you tore out of your blue book?

SOME HON. MEMBERS: Oh, oh!

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Once again, we turned around and had an independent review committee put in place to review the previous deal. They did a great job for the people of Newfoundland and Labrador. They presented a report which gave us the framework to move forward with a new negotiating strategy.

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

PREMIER WAKEHAM: A new negotiating strategy that also involves the federal government and the commitment of over \$3.5 billion; an agreement that has the support of all federal MPs in this province, that has the support of the federal government and the prime minister. Now, we have an agreement that provides more value, more power and more transmission.

SPEAKER: The Premier's time has expired.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: I think you should check with some of his Conservative friends, because I'm not sure all seven MPs are supporting this.

The Premier did say previously, "without a true independent review, can we determine if Newfoundland and Labrador Hydro is actually getting the most value out of the Churchill River, or is Hydro-Québec the

beneficiary?" Again, he said that when he was in Opposition but in the Premier's own words now, this is a new agreement.

So does the Premier still believe his own words and believe that we now can't determine if Quebec is benefiting more without an independent review?

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Speaker, as was said earlier today, we've already done the review. That's exactly what was done. That review formed the basis of the negotiating strategy that has delivered this new agreement.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Speaker, let me continue on. Let me continue on.

SOME HON. MEMBERS: Oh, oh!

PREMIER WAKEHAM: My time is not up. Let me continue on.

All of the other organizations that have come out in support of this new agreement –

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

PREMIER WAKEHAM: – the Labrador North Chamber of Commerce, Clean Energy Canada, Waterpower Canada, Energy NL, St. John's Board of Trade, Trades NL.

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

PREMIER WAKEHAM: All of these organizations think that this is a great deal that we have done, that this is a great

agreement. Let's put it to the test and let's get on with it.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: I thought he was going to say let's put it to a referendum, and he made sure he didn't let the words come out of his mouth again.

Speaker, we heard two versions of why market-based pricing was dropped. The negotiating team's version was that it was clear early on, from their perspective, it was too hard for them to finalize the formula, but the chair of the Oversight Committee said this morning that it was dropped during the normal course of negotiations.

Premier, can you clarify for the public which version Newfoundlanders and Labradorian should believe?

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Speaker, I will gladly clarify to the public of Newfoundland and Labrador.

Let's talk about taking out a mortgage. Imagine you take out a mortgage for \$100,000, Speaker, and then after 50 years of paying down that mortgage you still owe \$100,000. That's what this Liberal government was prepared to do with Gull Island, a \$29-billion project that after 50 years of payments would still owe \$30 billion for the people of Newfoundland and Labrador.

We've eliminated that so now the future of Newfoundland and Labrador –

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

PREMIER WAKEHAM: – the future taxpayers of Newfoundland and Labrador will have a great asset that they can look (inaudible).

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: We heard a lot about the mandate not being followed. Now we know why, because the Premier doesn't follow the old mandate so stop using those numbers. The number is actually less than \$600 million, not \$30 billion.

Speaker, if market-based pricing was dropped during the normal course of negotiations, like we heard this morning, please tell Newfoundlanders and Labradorians what we got in exchange for giving up what Newfoundlanders and Labradorians have wanted and deserved: market-based pricing, what Quebec gets – all the revenue, and what we gave up because you decided to walk away from what we all wanted.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Premier.

PREMIER WAKEHAM: Speaker, I'll tell you what we gave up. We gave up a \$30-billion balloon payment (inaudible) contract. That's what we gave up.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: So imagine this, Speaker, we're going to get a new hydro dam built. Built by somebody else, paid for by somebody else. All of the maintenance is going to be paid for by somebody else.

At the end of the 50 years, the taxpayers of Newfoundland and Labrador will have an asset that will be almost completely paid off. They will own 60 per cent of it and they will get to decide what they want to do with it;

2,700 megawatts of power and the price they get at that time.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Speaker, today again more people contradicting what the Premier says. He maintains that the price for Churchill Falls can escalate, but a member of the Board of Directors said today we don't have a – quote, unquote – index per se. Again, the Premier has a different version than other people who have testified here this week.

Should we believe the Premier or should we believe the experts?

SPEAKER: The hon. the Premier.

PREMIER WAKEHAM: Speaker, I think we've heard from the experts all week that have talked about how the price is going to start off going up 14 per cent a year up until 2041. The equivalent of getting \$18 billion between now and 2041; more than what was in the previous MOU. It will continue to grow after that by 2.6 per cent a year and continue on.

We heard from the experts, from J.P. Morgan and others, that talked about how the rates that we're going to get for our power are nowhere else in the country, Sir – nowhere else in the country. That's what he talked about.

SOME HON. MEMBERS: hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: Speaker, not only does the Premier contradict what the experts say, he contradicts himself because last year, he said: "We will be signing up for a pricing model with Quebec that will be in place for 50 years ... – we all know how that turned

out last time." Now, today, he is signing up for a pricing model with Quebec that will last 50 years. Is the Premier aware that it is a 50-year deal in contradiction of what he believed last year?

Speaker, can the Premier explain to the Newfoundlanders and Labradorians why they should trust him when he continually changes his position based on his position?

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Premier.

PREMIER WAKEHAM: Speaker, we did an independent review, as I said. They provided a series of recommendations that formed the basis of our negotiating strategy. So let's talk about what we have actually delivered for the people of Newfoundland and Labrador.

We actually have delivered an agreement that provides more value – more value, Speaker. We heard them talk about \$225 billion. This goes to \$273 billion.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Do the math. That is a billion dollars more for 49 years. That is a lot of new money that wasn't in the previous deal.

We know we have delivered on more power because we're now going to be able to build industries in Newfoundland and Labrador and put Newfoundlanders and Labradorians to work.

SOME HON. MEMBERS: hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: It might be just me, but I like the deal that isn't capped and doesn't give Quebec all the upside for market-based pricing.

SOME HON. MEMBERS: Hear, hear!

J. HOGAN: Speaker, a story from *National Post* on August 19 reveals more contradictions. It said about the transmission portfolio. In those cases, Newfoundland and Labrador only delivers electricity to the Quebec border rather than selling it directly into those markets.

Does the Premier still insist, after everybody disagrees with him, that he has gained the ability to negotiate with American markets?

SPEAKER: The hon. the Minister of Energy and Mines.

SOME HON. MEMBERS: Hear, hear!

L. PARROTT: Thank you, Mr. Speaker.

Mr. Speaker, I feel like I am in a weird version of the twilight zone because if we are talking about honesty, we have delivered a deal that is much better: 985 megawatts of power we are going to transport to the States.

These guys ran on a deal that wasn't going to do any of that.

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

I want to hear the minister. I don't want to hear anybody else. If we want to start naming people, I will do it.

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

We have delivered more power, more transmission, yet they don't support it. Yet, they think they had a better deal. We have proven it is a better deal. We know we send our power to New York. We know we send it to Maine. We know we send it to Ontario, and they still don't get it.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

M. KING: (Inaudible.)

SPEAKER: I ask the Member for Burgeo - La Poile – might I add two nights in a row – please do not go speaking when other Members have the floor.

The hon. the Leader of the Official Opposition.

J. HOGAN: Speaker, the Premier did commit to bringing the final agreements before the House of Assembly yesterday, but I ask, will he commit to bringing them to the House of Assembly before they are signed?

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: As I said yesterday, I quoted right from Premier Furey and what he said. He said he was going to bring them to the House of Assembly, to the people of Newfoundland and Labrador, and I'm going to do exactly the same thing.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: The Liberal love is strong. He loves the Liberal prime minister and he loves the former Liberal Premier Andrew Furey, oh my, oh my.

Premier, in your own words, can you commit to bringing the definitive agreements back to the House of Assembly before they are signed? In your words, you don't have to check your notes, I'm asking you, not Premier Furey.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: I have said it and I will say it again; definitive agreements will be brought back to the House of Assembly.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: He was clearly silent on that and that's disappointing – extremely disappointing.

Speaker, we heard yesterday that it was a line in the sand for the negotiating team when Quebec insisted on a 65-year contract.

My question is: Why was it so difficult to get Quebec to agree to a 50-year contract when they agreed to it just last year?

SPEAKER: The hon. the Minister of Energy and Mines.

SOME HON. MEMBERS: Hear, hear!

L. PARROTT: Thank you, Mr. Speaker.

This Premier listened to the IRC report. The IRC report gave us definitive things to follow and that was one of them: a 50-year deal we got.

Now, I will say this, we listened – J. Dickman-Wilkes, smoking gun at J.P. Morgan – I would say our preference, our advice for something other than a 2 per cent escalator with capital structure that had been negotiated, it was clear that the government of the day, what our position was.

I can't say that they ignored our advice exactly, but our advice and perspective on

this issue obviously was not followed and was not adhered to.

Mr. Speaker, this Premier brought back a deal for this province: more power, more transmission and more value.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: More repetition, more sound bites.

Speaker, should Newfoundlanders and Labradorians be worried that Quebec got the upper hand on us again during these negotiations, given that our negotiating team seemed to be negotiating with Quebec on things that already had been successfully obtained?

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Speaker, I'm glad to hear the Leader of the Opposition talk about that I've reached out to the Liberal Party of the federal government, and that's what this was about. It was about making sure that we get the correct agreements for Newfoundland and Labrador, making sure that we are the primary beneficiaries of our resources.

Yes, we have a Liberal prime minister in Ottawa right now who's prepared to invest in Newfoundland and Labrador. I'll take that every single day of the week, Speaker – every single day of the week.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Official Opposition.

J. HOGAN: I have absolutely no idea what question he was answering, Speaker.

I ask the Premier: Will he stand in his place this evening and confirm that Thursday's vote is a free vote, and that every Member of his caucus can vote without fear of repercussions?

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Premier.

PREMIER WAKEHAM: Speaker, we, as a caucus, will decide how we will vote.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: A lot of control over there, Speaker.

The Premier knocked on people's doors, looked in people's eyes and said if I win government, I promise you that we will take things to a referendum. On election night, with a narrow victory, he reiterated that promise.

Speaker, the Member for Lake Melville said he believes the Premier didn't go ahead with the referendum because he knew he would lose it.

Premier, is that true? Is that why you didn't go ahead?

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: Speaker, I did say I was going to do a referendum, but a lot of things changed between the time that happened –

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

PREMIER WAKEHAM: I have said already that there will be a lot of people

disappointed in that decision and I accept that. I have said that many times and I will continue to say that.

There are also opportunities that come along to the Province of Newfoundland and Labrador, when Canada faces an economic threat from its neighbour to the south, when our own sovereignty is threatened, when we have –

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

SOME HON. MEMBERS: Oh, oh!

SPEAKER: I'm not going to say it again.

The hon. the Premier, I'll give you an extra few seconds.

PREMIER WAKEHAM: – a prime minister who wants to build Canada strong, who talks about making sure that the resources that Canada has gets developed, not just for use in our own country but in the world and we have a prime minister who has invested in our offshore oil and gas industry and now has invested in our (inaudible).

SPEAKER: The Premier's time is up.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Speaker, things changed all right. There's a long list. In addition to the referendum, the Independent Review Panel didn't come back. He didn't agree with 50 years – a long list.

Speaker, I ask the minister for Labrador: With all of the unrest right now going on in the Big Land, all of the worry about this deal, is the only reason you are supporting it is because you are a minister? Because you went before the media yesterday and said the Member for Lake Melville wasn't

supporting the Premier because he wasn't a minister. Is that the only reason you're supporting the deal, Minister?

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

SOME HON. MEMBERS: Hear, hear!

L. EVANS: Speaker, I had a chance to ask questions tonight, to actually clarify things for Labradorians. We're getting more –

AN HON. MEMBER: (Inaudible.)

L. EVANS: Yeah, really honestly.

Speaker, it's a better deal. Better deal than 2024.

In actual fact, Speaker, the people in Lake Melville, they deserve the opportunity to have jobs, long-term jobs that are going to lead into other jobs, not like Muskrat Falls where the jobs came, high-paying jobs. We got a taste –

SOME HON. MEMBERS: Oh, oh!

SPEAKER: Order, please!

L. EVANS: You guys got elected in 2015.

SPEAKER: Address the Speaker, Minister.

L. EVANS: Speaker, like, really, 2015 and 10 years in government and they're blaming us in our first year for all the mess that they left us – all the mess. We're going to do a better job. We're going to do a better job with this deal as well.

SPEAKER: The minister's time has expired.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Member for Cartwright - L'Anse au Clair.

L. DEMPSTER: Thank you, Speaker.

We know all about Muskrat Falls and what the PC government sanctioned there, that ballooned into more than double and we're still paying for it. The people of Lake Melville are still paying for it.

Speaker, we heard today from the MHA for Lake Melville that the concerns he brought forward regarding his region were ignored by this government, even when he was a Member of their own caucus.

How are Labradorians supposed to have any faith in Team Labrador, down one now this week, they're down to half, when they don't even listen to their own Members? There are no safer communities in Lake Melville or anywhere else in the province. There's no better health care.

I mean it's very, very concerning what this Premier ran on and what he promised and even a Member of his own caucus wasn't heard by this Premier. No wonder Newfoundlanders and Labradorians got no (inaudible).

SPEAKER: The Member's time has expired.

The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

SOME HON. MEMBERS: Hear, hear!

L. EVANS: Speaker, I'm bothered by that, coming from when she was minister. Speaker, when she was minister with the new medevac system for Southern Labrador, Northern Labrador, they actually cut our medevac system for coastal, Southern Labrador and Northern Labrador to save them money.

But what did I do, Speaker? As part of this government, we are putting in the new Paddon Home. They didn't do anything with it. They've been in government for 10 years.

Long-term care beds are needed, Speaker. We have our elders in the hospital in Happy Valley-Goose Bay taking up beds, needing long-term care. In actual fact, people in Happy Valley-Goose Bay cannot go in expecting to have a bed available to them in an emergency (inaudible).

SPEAKER: The hon. minister's time has expired.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Third Party.

J. DINN: Thank you, Speaker.

Last June, the PC government announced that they were abandoning the legal challenge against Ottawa for fairer equalization mere days before negotiations with Hydro-Québec resumed. In a statement to CBC, the Premier's office said that it was "part of efforts to foster a 'collaborative and constructive relationship with the federal government.'"

I ask the Premier: Did the federal government make support for the deal contingent on dropping the fight for equalization fairness?

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER WAKEHAM: No.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Leader of the Third Party.

J. DINN: Speaker, Grand Chief Jodie Ashini has stated that the Innu of Labrador need

an apology from the Government of Newfoundland and Labrador for the hurt and harm caused by the belief they arrived in Labrador after Europeans before they can support the Churchill Falls deal.

I ask the Premier will he take the first step and make that apology on behalf of the province?

SPEAKER: The hon. the Minister of Indigenous Relations and Reconciliation, and Labrador Affairs.

SOME HON. MEMBERS: Hear, hear!

L. EVANS: Speaker, it is emotional. It's emotional for the Innu. It's emotional for me, as minister. It's actually emotional for the Premier.

This correspondence, this going back and forth between the provincial government and the Innu, has been going on for quite a few years. The past two governments, the premier – I don't think I can name them, actually – there's correspondence there. We came into government; we've been in government a year now, we are taking this on. We're taking it on to find positive solutions for the Innu.

Speaker, I will go on the record as saying we acknowledge the Innu people as Aboriginal people. That's the federal government's legal term, Aboriginal people of Canada. They are Indigenous people.

SPEAKER: The minister's time has expired.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Member for St. John's East - Quidi Vidi.

S. O'LEARY: Speaker, no apology.

In response to my serious question yesterday about residents in this province who are struggling to keep their head above water and the cost-of-living crisis, the

Minister of Finance joked in response and said, show me the money. He went on to say, “when the deal is brought home, then we can envision what we can do more to help out”

Well when trust is at stake, I ask the minister, could he explain what specific measures, other than the 15 per cent rebate, he envisions to help the people of this province afford to live?

SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

SOME HON. MEMBERS: Hear, hear!

C. PARDY: Mr. Speaker, I made the mistake, probably, of referencing Jerry Maguire, but I did not mock or make light of the plight of the people and the affordability crisis.

One thing I said after the reference to Jerry Maguire’s terms, show me the money, I talked about what we can do with a billion dollars.

The past government added to our debt \$1 billion a year for the 10 years that they were in government. What we can do for \$1 billion, as an example, is pay everyone’s residential power bill in Newfoundland and Labrador. That’s what we can do.

Every year for 10 years, they added \$1 billion to the debt in this province. That is –

SPEAKER: The minister’s time has expired.

SOME HON. MEMBERS: Hear, hear!

S. O’LEARY: (Inaudible.)

SPEAKER: The hon. the Member for St. John’s East - Quidi Vidi, please address the Chair.

S. O’LEARY: Thank you, Speaker.

Data centres have been brought up 11 times so far with invited experts during this MOU debate. It’s interesting, since we know very well how much electricity data centres use. We also know the current deficiencies in regulation and how people right across North America are speaking out against them being built in their communities due to localized impacts on power bills, water quality, water pressure, noise pollution, threats to sovereignty and financial risks for taxpayers, just to name a few concerns.

I think Labradorians need to know, so I ask the minister: Is it government’s plan to build a data centre in Labrador?

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Minister of Energy and Mines.

SOME HON. MEMBERS: Hear, hear!

L. PARROTT: Thank you, Mr. Speaker.

Mr. Speaker, what we are looking at for Labrador is Gull Island; it’s the Churchill Falls upgrades and expansion, possibly, at some point. We are looking at a wind project. We are looking at the Labrador Trough and mining. If we have excess power, we’re open for business.

Now, if that means that a data centre fits and meets the environmental thing, it doesn’t affect the water or the residents, then we are looking at it, but we are just putting the options out there so we understand what they are going forward.

Thank you.

SOME HON. MEMBERS: Hear, hear!

SPEAKER: The hon. the Member for Humber - Bay of Islands.

E. JOYCE: Thank you, Speaker.

First of all, to the Member for Torngat Mountains, it was a pleasure dealing with you in the Department of Health to make improvements in Corner Brook. The current minister is following in the same footsteps and working with me on that.

SOME HON. MEMBERS: Hear, hear!

E. JOYCE: Mr. Speaker, we hear about the jobs that are going to happen in Newfoundland and Labrador and there are going to be a lot of specialties like electricians, linemen and others.

Can the government commit to setting out a plan where we're going to have some kind of information session where people can start training, how many we're going to need, what skills, to ensure that if this goes through, of when and where these workers can be and will be working in Labrador at these projects?

SPEAKER: The hon. the Minister of Energy and Mines.

L. PARROTT: Thank you, Mr. Speaker.

When we talk about what is happening in Labrador, we talk about the Innu first, then residents of Labrador, and then residents of Newfoundland and Labrador. We understand the skills that are required. As a matter of fact, last night I had a conversation with Sheldon Nui, an Innu, and they are looking at setting up a training school. We talked with them about it. They met with the building trades and the federal government today.

Mr. Speaker, guess what else? The Premier just announced that we're putting more trades training in the schools. We know we have to be prepared for what's coming. We are going to prepare for what's coming so Newfoundlanders and Labradorians are prepared to, not only get to work, but they're prepared to prosper from the work they get.

Thank you.

SOME HON. MEMBERS: Hear, hear

SPEAKER: The hon. the Member for Humber - Bay of Islands.

E. JOYCE: Thank you, Speaker.

I say to the minister, it is great that you're going to be setting up, but a lot of people from the Bay of Islands, Corner Brook area, worked in Voisey Bay, they worked at Muskrat Falls. There are a lot of younger people coming up, so will there also be training sessions, training schools, opportunities in Corner Brook area, the Bay of Islands area, which I represent and the Member for Corner Brook represents, so they can be trained also for opportunities in Labrador at the megaprojects that we're looking at developing in Labrador?

SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear

PREMIER WAKEHAM: The Member opposite raises a significant challenge for us, but it is a great challenge that we can actually look forward to. The fact that we're talking about needing to make sure that we're prepared and ready to start training up the people of Newfoundland and Labrador for the jobs that are going to be available as a result of this agreement.

Yes, we absolutely have to turn around and find ways to increase and make sure that we prepare young people that are out there now, people that are looking for work right now that have skills, that have the trades. We also need to make sure that we put it back into high school, reintroduce the high school skilled trades program in the high schools.

SOME HON. MEMBERS: Hear, hear

SPEAKER: The time for Question Period is over.

Before I adjourn, I did want to welcome to our public gallery this evening, as well as Mr. Skinner who we recognized earlier, Mr. Charlie Angus who is the former NDP Member of Parliament for Timmins-James Bay.

Welcome.

SOME HON. MEMBERS: Hear, hear

SPEAKER: With that said, this House is now adjourned until 10 tomorrow morning.

On motion, the House at its rising adjourned until tomorrow, Thursday, at 10 a.m.