

ORAL QUESTION—KEVIN O'REILLY, MLA FRAME LAKE

QUESTION 531-18(3)/ 535-18(3): TALTSON PROJECT EXPANSION

February 6, 2019

MR. O'REILLY: Merci, Monsieur le President. My questions are for the Minister of Infrastructure. The Minister, along with his federal counterpart, recently announced \$1.2 million for the expansion of Taltson hydro. This House approved a capital budget for 2019-2020 in the fall. Can the Minister explain whether the funding announced recently is actually new money or what is already in the capital budget for 2019-2020? Mahsi, Mr. Speaker.

MR. SPEAKER: Masi. Minister of Infrastructure.

HON. WALLY SCHUMANN: Thank you, Mr. Speaker. I am going to read my notes because this stuff is from all different sources. The funding is coming from two federal sources, with some additional funding from the GNWT. From CanNor we are receiving \$480,000, with an additional \$120,000 from the Government of the Northwest Territories funding. This is an allocation for technical and commercial work on the project. From CIRNAC we are receiving \$619,950. This money will be used to support Indigenous partnership. Funding for technical questions is only sufficient to take us to the end of this fiscal year.

MR. O'REILLY: Thanks to the Minister for that, and I will double check to see where the \$120,000 is coming from, whether it's the capital or the O and M budget. As far as I know, there are no buyers for Taltson expansion power, no secured funding other than this little drop in the bucket, and no business case. Can the Minister explain whether there is a business case for the Taltson expansion or when that might be ready and whether it will be shared with the public and this side of the House?

HON. WALLY SCHUMANN: Yes, the funding, the GNWT source, is from the existing O and M budget, just to answer the Member's question. This project is premised on the fact that the federal support is required for the project and that it will become a driver for clean growth for the people of the Northwest Territories. A preliminary business case will be prepared for this fiscal year. Work is still under way to find high-level costs for the transmission component.

MR. O'REILLY: Thanks to the Minister for doing his homework there on his feet. The last estimate that I am aware of for full expansion of Taltson seems to be well over a billion dollars. Does the Minister actually have any preliminary cost estimates for this megaproject, and can he share that information with this side of the House now, full expansion, please?

HON. WALLY SCHUMANN: As we have done a number of technical work and stuff that was done previously in the previous Assemblies on this work, that stuff is going to be part of the updated stuff that we will have to work on. The transmission system is still under study, so it would be premature to speculate what that new cost would be because it's a whole different type of system, as I have said before in this House. We

are looking at the first underwater, high-voltage, direct-current line under Great Slave Lake. We are waiting for those costs to still come back, but, once we compile these types of costs, I would be glad to share with committee.

MR. SPEAKER: Masi. Oral questions. Member for Frame Lake.

MR. O'REILLY: Merci, Monsieur le President. Thanks to the Minister for that, and I hope that he can make the figure actually public. In the Minister's statement yesterday, he claims that the full expansion or some kind of expansion of Taltson hydro is going to remove up to 240,000 tonnes of greenhouse gas emissions. Yet, in the 2030 Energy Strategy, the claim is 227,000 kilotonnes of greenhouse gas emissions. So maybe hopes are growing that Taltson is going to continue to grow, but what is going on with these greenhouse gas reduction figures, and can the Minister explain the discrepancy? Which one is the right figure, and can he provide some calculations behind that?

HON. WALLY SCHUMANN: For those of you who have read the energy strategy very, very closely, in there it clearly states that the Northwest Territories needs to reduce our GHGs by 517 kilotonnes by 2030 to meet our targets for the 2030 pan-Canadian framework that we have signed on to. Of this, 290 kilotonnes can be achieved through a variety of models, reducing diesel generation in communities, industrial efficiency, renewable heating in communities, transportation, et cetera. That leaves us a gap of 227 kilotonnes which is in there. The 240 from the Taltson Project, which it would generate, would be sufficient to meet this gap. Thank you, Mr. Speaker.

QUESTION 535-18(3):
TALTSON PROJECT EXPANSION

MR. O'REILLY: Merci, Monsieur le President. Earlier in my questions with the Minister of Infrastructure he talked about the 240,000-tonne reductions in greenhouse gas emissions claimed in yesterday's statement about Taltson. Can the Minister provide those calculations publicly and table them in the House for the end of this sitting? Mahsi, Mr. Speaker.

MR. SPEAKER: Masi. Minister of Infrastructure.

HON. WALLY SCHUMANN: Thank you, Mr. Speaker. Yes, we can do that. Thank you, Mr. Speaker.

MR. O'REILLY: Thanks very much to the Minister for that commitment. I know that Alberta just went on the market to get some additional power. They spend a billion dollars to get 600 megawatts of wind energy at 3.7 cents/kilowatt hour. We are paying over 23, I think, 24 cents/kilowatt hour here in Yellowknife, so I am trying to figure out the Minister's rationale for saying that Alberta and Saskatchewan are actually going to want to buy our power. We should be actually bringing it up from Alberta. Can the Minister provide some rationale for why he thinks that Alberta and Saskatchewan will actually want to buy our power?

HON. WALLY SCHUMANN: When you start looking at the whole electrical grid system across North America, which is not connected at this point, actually, the federal government is having a serious look at how they can do that to help make a more stable

grid right across the country and share renewables, but the situation with Alberta and Saskatchewan the Member does not bring up is they are on an extensive amount of coal. Both of these provinces have coal generation that they need to get off there to reduce their greenhouse gas emissions. Both provinces are clearly at the odds right now with the federal government around the climate change strategy. We are committed to fulfilling our obligation, and this is one of the prospects that we need to look at to expand our hydro facility to benefit from it in the most potential way we can.

MR. O'REILLY: Thanks to the Minister for that. Just to be clear, that power in Alberta is wind power. We are not talking about coal-generated. We are talking wind. I do want to ask the Minister: the Indigenous governments that he seems to indicate are on board for Taltson expansion, does that include Deninu Kue First Nation?

HON. WALLY SCHUMANN: As I mentioned in my statement yesterday and in one of the questions that I answered, I have had discussions with the Akaitcho, which does include Deninu Kue, at the table at that time.

MR. SPEAKER: Masi. Oral questions. Member for Frame Lake.

MR. O'REILLY: Merci, Monsieur le President. Thanks to the Minister for that. Has the Minister actually spoken to anybody from the Deninu Kue First Nation about Taltson recently?

HON. WALLY SCHUMANN: As I said, I stated that I met with the Akaitcho, and the Deninu Kue were there, represented by their leadership, and I had a conversation with all the leaders of the Dehcho First Nations. Thank you, Mr. Speaker.