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## Nuclear debate heats up

**Power Feasibility study announcement likely to bring as many questions as answers**

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FREDERICTON - The Liberal government will finally quash speculation over its feasibility study on a second nuclear reactor today, only to face a new set of questions over the report's independence and who will pay for a new atomic generator.

Premier Shawn Graham and Energy Minister Jack Keir, along with Atomic Energy of Canada Ltd. representatives, will announce the long-awaited feasibility study today in Saint John. Although the Atomic Energy-funded report is only the first step toward the creation of the world's first Advanced Candu Reactor-1000, there is already a growing sense of skepticism over the federal Crown corporation's involvement.

Opposition Leader Jeannot Volpé said he supports the company but he believes Atomic Energy has put itself in a conflict of interest.

"What I don't like is the fact that AECL is being asked to do a study on do we need a second reactor? To me that is not the proper way to do it," Volpé said. "It's like, I've got no car, I walk to work and one morning I go to a car dealer and say do I need a car? I'm sure they will find a lot of reasons why I would need a car and maybe two."

The \$3-million feasibility study will be paid for by Atomic Energy and its Team Candu partners. An independent consultant hired by the Department of Energy is to monitor the report's progress. The study will determine whether the growing power needs of the New England and New York markets provide a strong business case for building a second nuclear reactor at Point Lepreau, 35 kilometres southwest of Saint John.

The study is to be completed in early 2008, with a final decision by mid-2008.

Tom Adams, the executive director for the Toronto-based Energy Probe, questions the Liberal government's "pennywise philosophy" of allowing Atomic Energy to pay for the study. The energy analyst said research of this magnitude should be handled with greater of independence.

"It doesn't matter how cute the PowerPoint slides are or how good the sound and light show is to go with this announcement, the fact that AECL is a proponent and at the same time is claiming to provide investment advice for the province, those two things just don't go together in a logical universe," Adams said.

However, Tim Curry, president of the Atlantica Centre for Energy, said all parties have too much at stake for Atomic Energy to present anything but the best possible recommendations.

"Nobody wants to have projects start in their jurisdiction and then come to a screeching halt for whatever reason. It sends a negative message to all stakeholders and potential stakeholders in the region," Curry said.

"Investment attracts other investment, successful projects attract other successful projects."

Atomic Energy hasn't offered a firm price yet on one of its new ACR-1000, but it has been estimated that a reactor would cost more than \$3 billion. Undoubtedly questions will start arising

over how the province can safeguard against unforeseen budget increases or lengthy delays.

Atomic Energy has repeatedly pointed to its recent history overseas of building Candu-6 reactors on time and within budget. The ACR-1000 is being billed as a significant upgrade but is still in the design phase. And as French nuclear power giant Areva can attest with its delayed and over-budget Generation 3 unit in Finland, problems can always arise with a new product.

The Point Lepreau Nuclear Generation Station was the world's first Candu-6 station. At a cost of \$1.4 billion it went online in three years late and \$700 million over budget.

Energy Probe's Adams said he wants to know now whether the federal government is willing to pay for the new reactor's construction. The provincial energy minister's repeated demand that NB Power not be saddled with additional debt has led Adams to believe Ottawa may be picking up a significant share of the deal.

Once the questions surrounding any financial terms are combed over, there is a larger question surrounding the impact on the region. It is anticipated that 500 workers could be employed at a second reactor and there has already been discussion surrounding Atomic Energy locating a centre of excellence for retubing Candu reactors in Saint John.