

Third power cable top priority for P.E.I.



Guardian photo

Published on September 11, 2012

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Topics : Infrastructure Canada , Prince Edward Island , Newfoundland , Atlantic Canada

Finance Minister Wes Sheridan says securing a third power cable for P.E.I. will be the province's top priority, especially now that there is opportunity to benefit from Newfoundland's Muskrat Falls project.

Sheridan played host this week to Canada's energy ministers and used the opportunity to raise the issue of the Island's need for a third transmission cable to the mainland with both his provincial and federal counterparts.

"I've been able to have Natural Resources Minister Joe Oliver's ear both privately and again this afternoon in the open meeting, we were able to talk about that at length," Sheridan said in an interview Tuesday with The Guardian.

He said the need for this cable is magnified now that Atlantic Canada's four energy ministers agreed Monday to collaborate as a region on energy initiatives that could save hundreds of millions of dollars in energy costs.

With plans going ahead for an underwater power connection between Newfoundland and Nova Scotia coupled with the development of a hydroelectric generating facility in Muskrat Falls, the possibility of connecting P.E.I.'s wind power with Newfoundland's hydro is now on the horizon.

But with limited auxiliary capacity available in P.E.I.'s two existing cables, greater flows of power between P.E.I. and the mainland is a major stumbling block.

That's why trying to negotiate a shared funding agreement with the federal government for a \$90-million third cable has become the province's top infrastructure priority.

"The third cable is very key. This is the No. 1 priority now for Prince Edward Island. That's across all of our departments, not just mine with regards to energy," Sheridan said.

"How important that is as we continue toward the Atlantic energy gateway? It's huge, because of the back and forth (transmission) that we would have. The ability to ship more wind off-Island."

Senior provincial officials have been pitching the cable to federal representatives with Infrastructure Canada for months as the feds have begun preliminary discussions on a new infrastructure agreement with the provinces.

The current Build Canada agreement expires in 2014.

Sheridan said this cable is not only important for P.E.I.'s renewable energy expansion hopes, but also for the Island's existing power needs.

He pointed to the oil leak discovered this spring in one of the cables.

"It does show that the existing cables are starting to age and we do have a concrete end to the life of those cables and we have to move on a larger cable that will stabilize our existence with regard to entering and exiting power through P.E.I.," Sheridan said.

Energy ministers wrapped up two and half days of meetings in Charlottetown Tuesday. In a roundtable discussion, the ministers agreed on the need to work in partnership to advance Canada's energy priorities, but stopped short of creating a national energy strategy.

Oliver said provinces and federal government are already working together toward common energy goals – it just isn't called a national strategy.

"I haven't heard anything from anybody that suggested that there's anything in their idea of a strategy that we don't already deal with," he said.

"If you want to put a bow on it and call it a national energy strategy, go ahead. We're not applying that labeling to it because it's problematic in some areas of the country, what is important is that we go forward and do the job together."