

Province to proceed with refurbishment of Point Lepreau (05/07/29)

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FREDERICTON (CNB) - Premier Bernard Lord announced today that the Province of New Brunswick will proceed with the refurbishment of Point Lepreau with Atomic Energy of Canada Limited (AECL) as the general contractor.

"Cabinet has received and accepted an unanimous recommendation from the Board of NB Power to move forward with the refurbishment," Lord said. "Proceeding in partnership with AECL allows us to meet all our project objectives, including balancing our risk and the cost, ensuring security and diversity of supply, maximizing environmental benefits, and maintaining 700 highly skilled jobs."

The decision comes after many months of discussions, negotiations and deliberations with a wide variety of stakeholders, potential partners and other interested parties.

"I would like to thank all those New Brunswickers who took the time to be part of the discussion and the debate," Lord said. "We were listening, and their comments, suggestions, and ideas were greatly appreciated."

"Government accepted the recommendation and believes this is the most prudent, balanced, and realistic approach to take," the premier said. "It is prudent because it allows us to secure a reliable, cost-efficient energy supply for commercial and non-commercial users. It is balanced because it takes a balanced approach to risk and cost, and it balances environmental concerns with economic development. It is realistic because it allows us to continue to pursue our objective to ensure diversity and security of our energy supply."

The Government of New Brunswick believes the federal government has a responsibility to support the nuclear industry in the province.

"We were shocked by the decision of the federal government not to invest in New Brunswick by investing in the refurbishment of Point Lepreau," Lord said. "I was also shocked that they would support the nuclear industry in China but not support the industry here in New Brunswick."

"I would like to remind the federal government that AECL is their corporation, and we will hold the federal government accountable for AECL's performance as we move forward with this project."

Commissioned in 1983, Lepreau's CANDU-6 reactor provides New Brunswick with 635 megawatts of electricity, 30 per cent of its energy requirements. It was commissioned in 1983 at a cost of \$1.44 billion and was scheduled to operate until 2008.

"We are very pleased that Lepreau will continue to play a key role in providing New Brunswickers with a base load of safe, dependable electricity for many years to come," Lord said. "The team at NB Power has done a great deal of work to ensure that this is the most prudent and realistic approach."

"The board of directors, management and staff of NB Power are pleased that the Point Lepreau generating station will be refurbished," said Derek Burney, chairman of NB Power's board of directors. "After completing an exhaustive examination of all options and addressing concerns identified by the Board of Commissioners of Public Utilities and nuclear expert Dr. Robin Jeffrey, NB Power is confident that refurbishment with AECL represents the best balance of cost and risk for the ratepayers of New Brunswick."

Building strategic infrastructure is a key building block of Greater Opportunity New Brunswick's Prosperity Plan. The Province released its Energy Policy in January 2001 as a key cornerstone of the plan.

"New Brunswick's Energy Policy sets the direction to have a secure, reliable and cost-effective energy supply for commercial and non-commercial customers making us competitive in attracting new investment and supporting our economic development objectives," Energy Minister Bruce Fitch said. "This decision reinforces those objectives."

Completion of the detailed engineering and procurement will begin this summer with completion expected by March 2008. The construction of temporary facilities and waste storage will begin in April 2006. The planned maintenance outage will start in April 2008 and will be completed by September 2009.

The estimated cost of the project, including the purchase of replacement electricity, is \$1.4 billion.

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