

Power to the people – The Best Plan for Nunavut

By March 31, 2000 the Government of Nunavut will make a decision on how to supply electrical power to our territory. The government will need to meet the electrical energy requirements of all communities in Nunavut from Sanikiluaq to Grise Fiord to Kugluktuk.

Background

In preparation for the creation of the new Nunavut territory, the Nunavut Implementation Commission recommended that the Northwest Territories Power Corporation (NTPC) remain as a shared institution by the Government of the Northwest Territories and the Government of Nunavut.

This shared arrangement could entail a number of re-structuring options, but any such “sharing” should involve equal political control exercised by both governments.

The proposal from the Government of the Northwest Territories suggested only one possible corporate structure that was different from the existing structure:

- NTPC recommended a 60/40 split in shares, based on an analysis of assets and profits generated regionally, but not including the accumulated debts of the corporation (about $\frac{3}{4}$ of which are in the west).
- Nunavut representation on the board of Directors of NTPC would have been a continued minority in decision making.
- Another very important issue for any long-term agreement is the need for a meaningful number of jobs to be shifted to Nunavut to achieve some balance in NTPC’s employment levels throughout both territories.
- Eastern parties felt that the GNWT proposal was too significant a change with an insufficient amount of information and dialogue having taken place.

It was felt that an independent analysis was necessary in order to make a responsible decision that would best meet the needs and interests of both territories, and has the support of residents. The analysis should examine a number of options against a number of variables, such as:

- costs
- reliability
- ease of implementation
- legal and financial complexities
- suitability
- population trends

The Transition Agreement

Due to the fact that consensus could not be reached on key issues, a transition agreement for a single power corporation was agreed to by the West and East. This is a two year agreement to ensure the reliable and efficient delivery of power until April 1, 2001. A decision will be made in the next six months, leaving a one year period to set up the new power arrangement. Minister Ed Picco, the Nunavut Minister Responsible for the Power Corporation is in charge for identifying and exploring all the possible options for providing electrical power to Nunavut. He is looking for a “made for Nunavut” solution to meet Nunavut’s electrical power needs.

Exploring the Options

Minister Ed Picco has established a working committee, the Ikuma Working Group to recommend various options to the government for future supply and delivery of power in Nunavut. Members of the Ikuma Working Group represent the Government of Nunavut, with support from independent advisors and Nunavut Tunngavik Incorporated. These advisors are utility experts in the fields of operations, financial management, legal issues, policy, corporate/business issues, and fuel resupply.

Minister Picco held information sessions in Iqaluit on September 30th and October 1st, 1999 for utility companies preparing proposals in response to the Government of Nunavut’s request for Expressions of Interest: Supply and delivery of electrical power to Nunavut.

Utility companies from across Canada have been invited to submit proposals to the government, including: Newfoundland and Labrador Power, ATCO Energen, Sask Power International, Manitoba Power, Quebec Hydro, Ontario Hydro Services Company, Northwest Territories Power Corporation and Trigen Energy Canada Inc.

The information sessions, along with individual meetings will give the interested utility companies the opportunity to review and discuss their company’s ideas and approaches to supplying and delivering power in Nunavut.