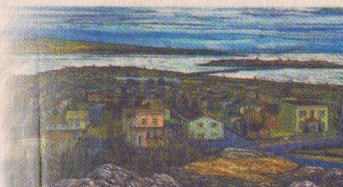




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CITY HALL FORMER OFFICIAL WARNS OF SWEETHEART DEALS IN OLD PACT > B1

SATURDAY, FEBRUARY 14, 2009

TELEGRAPHJOURNAL.COM

AECL NEEDS \$100M

Energy Company gets money from Ottawa to meet refurbishment cost overruns at Point Lepreau, Ontario nuclear plants

BENJAMIN SHINGLER
TELEGRAPH-JOURNAL

FREDERICTON — The refurbishment of the Point Lepreau Generating Station appears to be sliding further into trouble.

With the project already three to four months behind schedule, government documents released this week revealed that Atomic Energy of Canada Ltd., the federally owned nuclear company in

charge of the refurbishment, requires \$100 million from the federal government to finance cost overruns.

The funding will go toward work on Point Lepreau and refurbishment of two reactors at the Bruce Power complex near Lake Huron in Ontario. AECL won't say how the funding will be divided between the projects.

Dale Coffin, a spokesman for the company, said the additional funding will

help AECL meet its "cash flow" needs caused by refurbishment delays. AECL must meet certain benchmarks at Point Lepreau to get paid by NB Power, which owns the reactor. Coffin said the delays were caused by "technical challenges."

The difficulties at AECL add to a growing list of problems for the refurbishment project. It's estimated the four-month delay at Point Lepreau will cost NB Power upwards of \$90 million.

David Coon, executive director of the New Brunswick Conservation Council, predicts the Lepreau refurbishment will be delayed longer than that.

Coon said that, as the refurbishment continues, further technical problems will likely be uncovered with the aging reactor, which was brought online in 1983.

"No one intended these things to be rebuilt," he said. "It just wasn't designed

into it."

Despite the problems, NB Power's president and CEO David Hay remained optimistic about the refurbishment. While meeting with reporters to discuss the public utility's third-quarter financial report, Hay said he was hopeful they could make up time to reduce the delay.

"We are quite comfortable with where

PLEASE SEE → AECL, A2

NB Power's Hay mum on letter controversy

QUENTIN CASEY
TELEGRAPH-JOURNAL

FREDERICTON — NB Power president and CEO David Hay flatly refused Friday to address the most recent controversy surrounding his beleaguered utility.

Three times he was asked. Three times he sat silent, not ushering a single word. Instead, a nearby spokeswoman repeatedly told reporters that the topic was off limits.

Hay's silence came as he was questioned about a controversial letter, which was drafted by NB Power executives and presented to utility employees in a manner many say involved intimidation tactics.

The letter praised Hay for his five years of service, saying his tenure has brought the public utility some of its "proudest moments."

It was eventually signed by 800 NB Power employees, in most cases as their supervisors looked on.

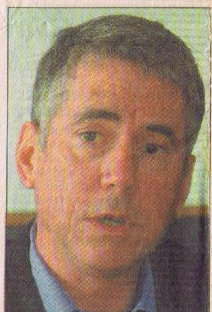
On Friday, the utility held a press conference to discuss its performance during the third quarter of this fiscal year. Even before Hay entered the room, reporters were told he would not take questions about the letter.

But that didn't stop reporters from putting the issue to Hay, who sat silent and did not respond.

"As stated, we're not talking about that today," interjected Heather-Anne McLean, the utility's manager of media relations.

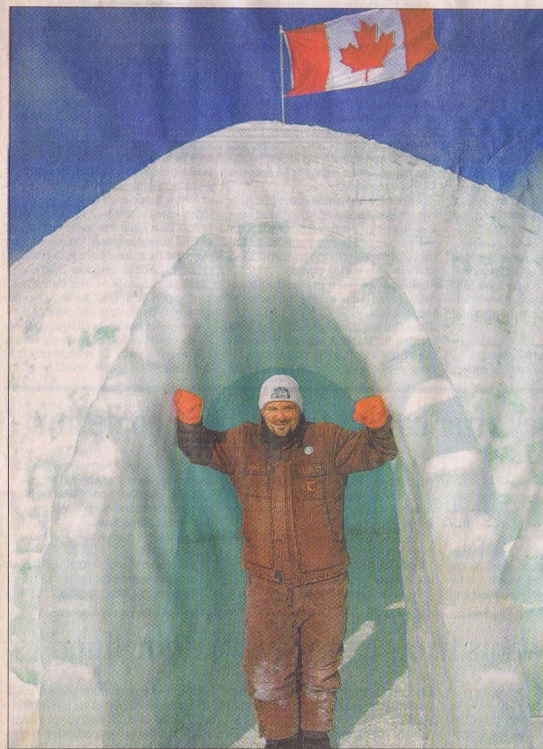
"We're here to talk about the quarterly report and issues around the quarterly

PLEASE SEE → CONTROVERSY, A2



David Hay

IGLOO BUILDERS TRY AGAIN FOR RECORD



MADELINE LECLERC/CANADAEAST NEWS SERVICE

Eric Ouellette, a professional engineer who spearheaded last year's effort to build a world-record giant igloo, stands inside this year's edition Friday at the Grand Falls Winter Carnival site. Participants in the annual carnival say they have constructed another record-setting igloo that is almost 26 feet in circumference. Last year's igloo was almost as big, but the feat was not recognized by the Guinness Book of World Records. Carnival organizers are hoping the world record keepers will take note this year, and enter the igloo as the largest ever built. Construction involved about 2,000 blocks of ice. Last year's igloo lasted for 59 days before melting into a large puddle.

Senator stands firm on barring foreign workers

ADAM HURAS
TELEGRAPH-JOURNAL

MONCTON — A New Brunswick Liberal senator is not backing away from a controversial call to bar temporary foreign workers from Canada, insisting they are stealing jobs from a growing number of unemployed Canadians.

Pierrette Ringuette defended her proposal for a "Canadians First" hiring policy on Friday, citing a 17-per-cent unemployment rate in northern New Brunswick as one of the reasons to hire at home.

Her suggestion has caused a backlash, with some critics suggesting the comments are troubling and discriminatory. Federal Liberals are distancing themselves from Ringuette's comments, saying they do not represent official party policy.

"Whether the Liberal Party agrees with me or not, from my perspective as a senator, I am voicing the concerns of the people," Ringuette said.

"I now hope this government will review the current program, because it is not helping Canadians."

Ringuette, who became a senator in 2002 on the recommen-

PLEASE SEE → STAND, A2

TODAY

Love calculated
Surprising number of Canadians choose cellphone over valentine **H1**

Actualities.....	A2	Comics.....	F4, 5, 7	In Faith.....	H6
Business.....	C1	Dear Abby.....	H8	Magazine.....	H1
City.....	B1	Deaths.....	D9	Opinion.....	A10
Classified.....	D1	Horoscope.....	H2	Puzzles.....	H7

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Utility still on track to post \$69-million surplus, CEO says

QUENTIN CASEY
TELEGRAPH-JOURNAL

FREDERICTON — The head of NB Power says the public utility had a good third quarter and is still on track to post a \$69-million surplus for this year.

David Hay, president and CEO, said Friday that the utility is on good financial footing despite well-publicized and "significant" setbacks.

The overhaul of the nuclear reactor at the Point Lepreau Generating Station is now four months behind schedule. As well, the utility suffered a shutdown at

the Grand Falls Generating Station following flood damage, and endured a major steam pipe leak at the Belledune Generating Station.

But Hay said the power company also experienced unforeseen benefits during the period from October through to the end of December.

He pointed to hydro generation, which was approximately 46 per cent above average.

"When the water flow is higher than normal, we experience considerable cost savings because hydro is the least costly of NB Power's generation choices," states

the utility's third quarter report, released Friday.

The utility was able to take full advantage of the high water by getting all generating units at Grand Falls back online in October — six weeks ahead of schedule. The station had been offline since May, following spring flooding.

Getting the station up and running early saved the utility approximately \$5 million.

Hay said the utility's net earnings are still expected to reach \$69 million.

"It's been a good quarter," he concluded at a morning press conference.

As well, Hay said he is optimistic that three turbine rotors that fell into Saint John Harbour can still be installed at the Lepreau station.

In October the rotors toppled off a barge into the harbour. The turbines were recovered and in December were sent to the United Kingdom for examination and testing.

The utility has announced on its website that the tests concluded the rotors are suitable for safe and reliable service.

NB Power stated that the decision has been made to proceed with the installation of the rotors.