

Return to Written Question Retour à la Question écrite No./Nu.

53-19(2)

THE HONOURABLE DIANE ARCHIE MINISTER RESPONSIBLE FOR THE NORTHWEST TERRITORIES POWER CORPORATION

Northwest Territories Power Corporation to Facilitate Alternative Energy

Mr. Speaker, I have a Return to Written Question asked by the Member for Kam Lake on November 1, 2022, regarding Northwest Territories Power Corporation to facilitate alternative energy. The Member has asked four questions on how NTPC will integrate renewable or alternative generation and one question on the governance of the Corporation. I will answer these questions separately.

In response to the Member's first question on the funding of alternative and renewable energy projects, NTPC works in cooperation with the Government of the Northwest Territories to advance and fund alternative and renewable energy projects. NTPC can continue to incorporate alternative and renewable energy projects in two ways. In situations where new green projects are fully financed through the Investing in Canada Infrastructure Program, or ICIP, Low Carbon Economy Leadership Fund and GNWT funding, NTPC can move forward with greenhouse gas reducing projects such as the proposed Fort Providence-Kakisa transmission line. Where existing NTPC infrastructure is at end of life and requires replacement, the aforementioned funding sources can greatly reduce the capital investment required by NTPC if these projects incorporate greenhouse gas reduction opportunities. Technologies such as more efficient engines, incorporated in the Łutselk'e and Sachs Harbour plant replacements, or allowing existing green generation to continue to operate, such as with the Taltson and Snare hydro site refurbishments, can meet funding guidelines. The list of the alternative and renewable energy projects that NTPC and the GNWT is advancing can be found in NTPC's 2022-2023 Corporate Plan, the 2030 Energy Strategy, and annual GNWT Energy Initiatives Reports.

In response to the Member's second question requesting information on NTPC's investment in alternative and renewable energy. Last year, NTPC generated over 75% of its electricity through

hydro generation and each year, NTPC invests in capital projects to ensure the continued hydro output by the Snare, Bluefish, and Taltson systems. Since 1998, NTPC has invested in clean burning natural gas and transitioned to Liquified Natural Gas when the Ikhil field output was reduced. NTPC has incorporated solar arrays into several communities either through agreements with independent power producers or through its own investment, such as the hybrid power plant in Colville Lake. In 1996, NTPC partnered with the Gwich'in Development Corporation in the development of a residual heating system, utilizing heat from the power plant in Fort McPherson. NTPC has a long history of investing in alternative and renewable energy. NTPC has used a wide range of contractors over this period and will continue to do so in the future to complete alternative and renewable energy projects. Northern contractors are benefited by NTPC's Northern Preference Policy. Later today, at the appropriate time, I will table a document showing current and planned alternative and renewable energy projects by community, with associated capital investment dollars and contractor utilization. None of the projects noted within the this document will be impacted by sunsetting of federal funding.

Regarding the Member's third question on NTPC's reporting of performance metrics, the NT Hydro/NTPC Corporate Plan is tabled in the Legislature every March. This Plan provides seven metrics which compare corporate performance year over year. March 2022 metrics compared favorably over the previous year, but metrics may be influenced by both internal and external factors. Our corporate metrics are not available on a community basis. The NTPC/NT Hydro Corporate Plan may be found within the tabled documents on the Legislative Assembly website https://www.ntassembly.ca/sites/assembly/files/td-636-192.pdf.

With respect to the Member's fourth question on NTPC's involvement in increasing alternative and renewable energy in housing, NTPC works with homeowners, Housing Northwest Territories, developers, and Indigenous business development corporations in the implementation of net metering installations on homes. Broader alternative and renewable residential energy projects are the responsibility of the Arctic Energy Alliance, or AEA, and NTPC sits on AEA's Board of Directors.

The Member also enquired about the benefits of NTPC's current governance structure. In 2016, the GNWT replaced the public Board of Directors for NTPC and NT Hydro with six deputy ministers. This was done for several reasons including:

53-19(2)

• To provide better oversight of NTPC operations and better support to the Minister

responsible for NTPC.

To improve accountability and provide more GNWT oversight including ensuring major

policy or project issues received Cabinet consideration.

• To ensure that NTPC decision making was done with a whole of government lens.

• To save on the significant expense related to operating a public board.

With respect to oversight, accountability, and decision making, the involvement of DMs on the NTPC

Board has contributed to better alignment of NTPC and GNWT priorities. For example, there has

been greater ability for advanced planning with respect to NTPC borrowing, which has an impact on

the GNWT's ability to manage is borrowing limit. In addition, NTPC has benefitted from some cost

reductions in public relations, donations, professional association dues, professional development,

retainers, utility advisors, consultants and contractors, and the board chair contract. In the period

from 2014 – 2020, these savings ranged from approximately \$415,000 to \$500,000 each year.

Early in 2019, the GNWT initiated a review of NTPC governance. While there has been some benefit

from the makeup of the current NTPC Board, I look forward to the completion of the governance

review and anticipate a decision early this year.

Thank you, Mr. Speaker.