

# **SaskPower must own nuclear reactor**

David McGrane, *Saskatoon StarPhoenix*, June 20<sup>th</sup>, 2008, A12

Following is the viewpoint of the writer, assistant professor of political studies at St. Thomas More College at the University of Saskatchewan.

We are about to embark on an important debate about whether a nuclear power plant makes environmental and economic sense for Saskatchewan. If we decide on nuclear power, it should be SaskPower that owns and operates the plant, not a private company from Central Canada.

Saskatchewan has a long history of publicly owned utilities that dates back to the creation of a long-distance telephone service in 1908.

It's disturbing that, on the 100th anniversary of public enterprise in Saskatchewan, the government seems to be turning its back on our tradition of public utilities by supporting Bruce Power's feasibility study that could result in a privately owned nuclear plant in this province.

AECL president Hugh MacDiarmid made a welcome contribution Wednesday to the debate in Saskatchewan over developing nuclear power when he noted there are "both public and private options." I believe any nuclear reactor built in Saskatchewan should be bought by SaskPower, either from a private sector company or a publicly owned company such as AECL, and then operated by the public utility.

The Saskatchewan government in 1945 justified the establishment of SGI by arguing that, "90 per cent of insurance in the province is being written in Eastern Canada, so the profits are going back East." The situation is no different now.

Under the proposal Bruce Power made this week, it would own the nuclear reactor and any profits generated by sales of electricity would go directly to its owners based in Toronto or Calgary and to shareholders around the globe. Cameco does own 31.6 per cent of four reactors operated by Bruce Power, but the Saskatoon-based uranium company is publicly traded and its profits are distributed to shareholders around the world.

If SaskPower eventually begins to buy electricity from a Bruce Power-owned nuclear plant, most of the money paid by Saskatchewan consumers will be exported outside the province. The vast majority of the profits that Bruce Power will make from selling electricity to Alberta or the United States from its Saskatchewan plant will leave the province, too.

However, if SaskPower were to own the plant, the profits it makes from selling its electricity to Saskatchewan residents would be transferred to the provincial government to fund better social programs or reduce the price we pay for electricity.

It should be remembered that the provincial government took in \$587 million (about 6.7 per cent of its revenue) from Crown corporations in fiscal 2006-07 and that our Crowns have used their robust finances in recent years to cut rates or give rebates to consumers.

Manitoba Hydro and Quebec Hydro are good examples of provincial governments earning significant amounts by selling electricity to other jurisdictions.

A publicly owned power plant could be an opportunity for our government to sell (debatably) green energy to the larger North American market and use the profits to improve the quality of life in Saskatchewan through better infrastructure, health care, education and economic development.

Public ownership of nuclear power presents a number of social and economic advantages over private ownership. A plant owned by SaskPower would add jobs to its head office in Regina instead Bruce Power's headquarters in Ontario. These new SaskPower jobs would provide well-paying managerial positions to retain the brightest Saskatchewan youth in the province.

SaskPower could also be relied upon to purchase local supplies and construction materials.

The utility also has an innovative program to hire underrepresented groups such as aboriginals, people with disabilities, visible minorities and women in non-traditional occupations. Further, unlike private sector companies, SaskPower falls under the government's pay equity framework. Bruce Power's website makes no mention of employment equity or pay equity programs.

Nuclear power generation is associated with certain environmental dangers. As a publicly owned utility, SaskPower can be more closely monitored and regulated by the province to ensure that the highest environmental and safety standards are met. Since it controls the entire electrical grid in the province, SaskPower can be trusted to accurately discern how nuclear fits with an environmentally friendly mix of energy conservation and wind, solar, natural gas, hydro-electric, and clean coal electrical generation.

Indeed, it is SaskPower that should be doing the feasibility study on whether Saskatchewan needs nuclear power. As a private company, Bruce Power's feasibility study will be to examine if it can make a return on its investment. As a Crown Corporation, SaskPower could be mandated by the government to examine if nuclear power is the best environmental choice and if it would bring about the lowest electricity rates for consumers.