

May 19, 2026

Remarks by the Honourable Tony Wakeham  
Premier of Newfoundland and Labrador  
MHA for Stephenville-Port Au Port  
Response to the Report of the Churchill River Independent Review Committee

**CHECK AGAINST DELIVERY**

Thank you very much.

Today our government is releasing the Report of the Churchill River Independent Review Committee.

I'd like to begin by thanking the members of the Committee for their service to the province.

I'd also like to thank everyone who participated in the Independent Review process.

Between December 15 and April 30, the Committee gathered written information and evidence from Newfoundland and Labrador Hydro, and current and former public servants.

It also interviewed a wide range of stakeholders and received more than 350 submissions from individuals, elected officials, Indigenous groups, and industrial representatives.

It bears repeating that, throughout the review period, the Committee operated with true independence. Neither I, nor any member of my government, directed or influenced the Committee during the review process.

Instead, our government empowered the Committee under the Public Inquires Act to ask difficult but necessary questions about the MOU we inherited from the previous government so that our government – and all Newfoundlanders and Labradorians – could get the necessary answers we all deserve.

I would note there are only five very small redactions, all of which only involve a prior government's cabinet confidences or sensitive commercial information from a third party outside of Newfoundland and Labrador. **Otherwise, the entire report is unredacted. You have what I have.**

How we develop the Churchill River will be a generational decision. The consequences of this agreement will extend far beyond a single government, political cycle or generation of Newfoundlanders and Labradorians.

We all live under the shadow of the original 1969 Churchill Falls agreement – which in return for having Hydro Quebec build a megaproject on the Churchill River – forced Newfoundland and Labrador to give away our electricity at significantly below market rates, for generations – with no recourse whatsoever for ever re-opening or renegotiating that deal.

**If the experience of 1969 taught us anything it is that we must always look past the big promises and best intentions – and always, always, read the fine print.**

**If the price tag for tearing up one bad deal is being forced to sign a second bad deal, then we will be consigning our children and grandchildren to continue living under the shadow of the 1969 Agreement.**

I want the people of Newfoundland and Labrador to know that I will never sign such a deal.

Instead, we need to negotiate the **best** possible deal. One which respects the interests and needs of our counterparties whether they are in Quebec, Ottawa or anywhere else – but always ensures we are the primary beneficiary of our own resources over both the short and long term.

And on this – the report is clear. In the conclusion of their report, the Independent Review Committee says and I quote:

***“The Memorandum of Understanding (MOU) has several important aspects that are beneficial for the province of Newfoundland and Labrador. Despite these benefits, however, the IRC finds, based on the evidence it has reviewed, that the MOU as currently configured is not in the overall best long-term interest of the people of the province.”***

*[End Quote]*

**In other words - the report confirms that while the MOU we inherited from the previous government had its merits, it was also deeply flawed.**

**Simply put, there needs to be material improvements to this deal before we would ever consider signing it.**

The good news is that the report gives us a comprehensive roadmap for what needs to change in order to make an improved agreement for Newfoundland and Labrador possible. The report makes it clear that on issues ranging from pricing to transmission rights to the restricted ability of Newfoundland and Labrador to access our own electricity for economic development, to the saddling of our province with long-term debt...there are credible and realistic alternatives to the terms of the inherited MOU.

At the same time, I want to make it clear what we are **NOT** doing.

We're not tearing anything up and starting over from scratch.

That is not what the Report recommends.

**This was never about tearing anything up.** This was always about getting the best deal for our province. That is why we created this Independent Review - so we can get this right.

We're going to build on the parts that work. And fix the parts that don't.

In fact, I want to acknowledge that there was a lot of hard work done by people who legitimately believed they were acting in the province's best interests during the negotiation of the original MOU, including – I might add -- the Leader of the Opposition, Mr. Hogan.

I also want to make clear that this report, in no way, shakes our resolve to develop Churchill Falls and Gull Island. **We will develop this resource.** This is one of the most abundant untapped clean energy projects you will find anywhere on the continent.

The demand is there. I believe the will is there. And the framework for a better deal now sits in front of us. The report lays out several potential paths forward that would allow us to remain primary beneficiary of our own resources while also addressing the key needs of Quebec and all of Canada.

I want to invite our partners in Quebec and the federal government to come to the table with us with renewed and shared good faith as we address the issues raised by the Independent Review Committee.

For our part, we are prepared to commence those negotiations. **We still welcome Hydro Quebec as our partner.** I recognize that negotiations are a two-way street – and as Premier Frechette in Quebec has told me – they have issues of their own they want to discuss. And that is fair. That’s what a negotiation is all about. But, notwithstanding the challenges in front of us – if our partners in Quebec and Ottawa are prepared to act in addressing these issues so are we.

That deal will be informed by the recommendations of the Independent Review Committee which you can find on page 42 of the Report. I encourage everyone in Newfoundland and Labrador to read those recommendations and draw your own conclusions about them.

But – as a start -- here are mine:

**Recommendation One** addresses the core question that underpins our province's approach. Is our goal to maximize the enormous value of the Churchill River to develop our own economy, or is it our goal to maximize the value we can get from selling this electricity outside of our province in order to drive government revenue that allow us to improve government services and reduce our provincial debt?

The economic case is real. Nobody should underestimate the hundreds of billions of dollars-worth of critical minerals that exist in deposits of the Labrador trough. Having spoken to the Prime Minister about this – I know he certainly doesn't. Developing these resources is a project of national importance and could be a source of immense long-term prosperity for our province. But it will also take immense amounts of electricity.

The financial case is equally strong. As Minister Pardy laid out in his budget – our province faces serious long-term fiscal challenges – that the revenue from increased power exports – could go far to addressing. Capturing fair value for the electricity that leaves our province is crucial.

People can disagree on what the right balance is between these two goals. But I think most of us would agree that the answer needs to be – at some level – a meaningful combination of **both**.

In fact – one of the most substantive criticisms of the previous government's decisions – is that they made a different calculation. **The Report clearly lays out how they chose to chase the short-term financial benefits of cancelling the 1969 deal over any meaningful consideration of the long-term value of this resource to our province.**

In contrast, capturing fair economic **and** financial value will be core to our negotiating strategy.

**Recommendation Two** speaks to guaranteeing the transmission infrastructure necessary to realize maximum value from the Churchill River. This, in itself, is a multi-billion-dollar commitment above and beyond what is in the existing MOU.

**Recommendation Three** highlights the importance of Indigenous Consultation. We have learned from our experiences with the development of Muskrat Falls. We acknowledge and respect the agreements that were concluded with the Innu Nation on the Lower and Upper Churchill. We are cognizant of the requirement of the Labrador Inuit Land Claims Agreement with the Nunatsiavut Government. Please be assured we act in honour and will discharge any consultation duties we owe.

**Recommendation Four** asks a serious question about whether the previous government did their homework about the ownership and operating model at Gull Island as opposed to accepting Hydro Quebec's preferred model out of the gate. To be clear – the Committee could find zero evidence that anybody involved in the previous government's negotiations ever seriously considered any model other than the one offered by Hydro-Quebec's preferred joint venture.

This may well be the optimal model for developing a project of this scale. The fact is, we don't know. **But unlike our predecessors, we're going to do our homework.**

**And Recommendation Five** speaks to improving the province's negotiating strategy and governance process, which was poorly defined, easily manipulated, and too often seemed to chase incentives other than maximizing long-term value for Newfoundland and Labrador.

So, we're fixing that.

Today I want to begin by announcing the Government of Newfoundland and Labrador's Negotiating Team. I have thought long and hard about this question.

My goal was to choose a team that maximizes our ability to deliver a better deal for Newfoundland and Labrador. Full stop. If someone wants to criticize me on political grounds – from any direction – on these choices, be my guest. I'm not thinking about politics. I am thinking about maximizing our chances of getting the best deal.

I am pleased to announce that **Barry Perry**, former President and CEO of Fortis will serve as lead negotiator. Mr. Perry is one of the few people with immense experience in the utility space, and comfortable in multi-billion-dollar negotiations. And – as a proud Newfoundlander and Labradorian himself – Barry understands the historical importance of getting this right.

Barry will be joined by **Jerome Kennedy**, St. John's Lawyer and former cabinet minister in the Government of Newfoundland and Labrador. I know there will be some among the opposition who will not like Mr. Kennedy's appointment and -- let me make it clear -- I do not care about the partisan attacks. I want the best team for the job and Jerome is knowledgeable about this sector and its impact on the province.

Also joining the team will be **Jennifer Williams** who will be remaining as President and CEO of Newfoundland and Labrador Hydro. I know that Ms. Williams has herself been the subject of public criticism. But I have had long conversations with Jennifer – who has been quite open about her role in the negotiation of the previous MOU. She and her team worked tirelessly to advance the negotiating mandate that was defined by the previous government of the day. Now she – and her team – are prepared to work just as hard on a new mandate – from our new government. She has my confidence to do so.

One important change we will be making is how we exercise oversight over the negotiating team – a key finding from both the Muskrat Falls inquiry and the Independent Review Committee Report.

The Report of the IRC makes it clear that the Board of Directors of Newfoundland and Labrador Hydro did not exercise sufficient oversight over the negotiation of the MOU and recommended that this oversight be moved away from the Hydro Board.

I accept that recommendation: We are moving oversight authority away from the Board of Newfoundland and Labrador Hydro and, instead, to an independent oversight Committee the details of which will be announced in the coming days.

The Negotiating Team will report their progress to the Oversight Committee who themselves, will not be party to the negotiations. The Oversight Committee will serve as a key source of internal scrutiny and challenge to ensure that negotiations remain aligned with the mandate established by our government.

The Oversight Committee will, in turn, keep Minister Parrott and I informed on the progress of negotiations. It is a system that ensures ultimate public accountability while minimizing the risk of political meddling.

It is ultimately my responsibility as Premier to define the negotiating position of our province.

While I have no intention to negotiate in public and recognize that hard conversations behind closed doors will need to happen in order to get to a deal done, the people of Newfoundland and Labrador deserve to know the core mandate I am giving our negotiating team.

It will be built around three key principles:

- **First** – We require **more power** in order to develop our own economy and, in particular, the industrial and mining opportunities tied to the hundreds of billions of dollars worth of critical minerals in the Labrador Trough.
- **Second** – we require **more value** from the Power Purchase Agreements at the heart of the deal, including a pricing structure for Gull Island that does not leave us stranded with billions of dollars in debt at the end of the Power Purchase Agreement.
- **Third** – we require **more transmission** through Quebec so that we can retain the option to sell our allotted supply of electricity at market rates.

We have officially reached out to the Government of Quebec to clearly outline our position.

We have a window of opportunity to fix what was broken and build something better. This is a cause that should bring together people of all political persuasions.

It is an opportunity that I hope mobilizes the federal government and a Prime Minister – who I know wants to build big things.

It is a cause that can and must include Indigenous peoples.

It is a cause that is of vital importance to this province and for all Newfoundlanders and Labradorians, now and long into the future.

A better deal is possible. The path in front of us will not be easy but it is clear.

My message to the Premier of Quebec.

My message to the Prime Minister.

My message to everybody in Newfoundland and Labrador is this.

We are here.

We are sitting at the table.

We are ready to negotiate.

Let's build something big together.

Let's get this done.

**For All of Us.**