

Marine Renewable Energy Legislation Development Forum

World Trade and Convention Centre

Halifax, NS., November 4, 2010

Comments and Observations

I was pleased to have this opportunity to attend this forum and I would like to congratulate Dr. Fournier and the Department of Energy on a very well run, informative and well thought out program to provide input into this very important opportunity for Nova Scotia.

Tidal energy represents a tremendous opportunity for Nova Scotia companies to generate employment and major tax revenues for the Province, this is of particular importance since the offshore gas program has fallen off and it appear that there will be little opportunity in the foreseeable future. As well, over the last two years many of our companies have lost business in the U. S. A. as a result of economic conditions and hidden trade barriers.

The Bay of Fundy Tidal project represents 1,000 – 1,500 man years of fabrication work based upon 150 – 2 megawatt units being installed. This is totally a Nova Scotia project. Keeping much of this work in Nova Scotia must be a priority as this level of employment will generate significant tax revenues from companies, the employees working for them as well as significant revenue from the spin off effect. For the companies that hold the design rights for the turbines chosen, consideration and respect of proprietary design must be recognized. It may not be practical for all components to be produced in Nova Scotia, however companies supplying products must be encouraged to work with Nova Scotia companies to maximise Nova Scotia content. Incentives or penalties should be considered.

Individuals and companies interested in developing tidal energy will definitely want to insure that this is done at the lowest possible cost, this is understandable. Traditionally our Nova Scotia government practices the principle of 'fair and equal access', this would be great if all jurisdictions complied, however neighbouring provinces do not necessarily follow this principle. Nova Scotia companies are losing business in the U. S. A. due to hidden barriers and the Jones Act; Newfoundland insists that work for offshore oil and gas projects be carried out in Newfoundland; and we cannot even bid on construction projects in Quebec. I do believe in the principle of free trade, I just do not want to see our companies, because of principle, shut out of this once in a lifetime opportunity. Keeping much of this work locally will position our companies for export opportunities as well as possibilities for Northern Canada.

The Nova Scotia Government has just demonstrated significant support for the DSME facilities in Pictou. Our Premier is continuing this promotion and support as we all have a stake in the success of this undertaking. This same support should be given to companies that have roots in Nova Scotia, have built their industry, have a proven track record of employing Nova Scotians and have contributed to the tax base of the Province. **The overall benefits that will be generated for the Province through maximizing Nova Scotia content, must be factored into contractual conditions as to where the work is performed.**

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