



For Immediate Release

Atlantic Energy Ministers' Report Significant Progress

Mill River, Prince Edward Island, June 7, 2004 --- Atlantic Energy Ministers moved forward with an agenda of regional cooperation on energy issues during a meeting in Prince Edward Island today. The meeting was hosted by the Honourable Jamie Ballem, Minister of Environment and Energy for Prince Edward Island. Other participants were the Honourable Ed Byrne, Minister of Natural Resources, Newfoundland and Labrador; the Honourable Bruce Fitch, New Brunswick Minister of Energy; and Nova Scotia Minister of Energy, the Honourable Cecil Clarke. Monday's meeting marked the third time energy ministers have met this year. At a February meeting in Sydney Mines, Nova Scotia, ministers laid the groundwork for the establishment of a regional working group comprised of electric utility representatives and officials from the four provinces. As a follow-up to the Sydney Mines meeting, ministers initiated a meeting with five federal cabinet ministers in Ottawa in March to outline the economic development potential of the energy sector in Atlantic Canada. "We had an opportunity today to continue progress that has been made over the past several months," said Minister Ballem. "We have made significant headway in a short period of time, particularly in relation to the electricity sector. Discussions at this meeting will allow us to continue to move forward together in a manner that will allow all provinces to address their challenges and opportunities and increase the security and sustainability of the region's energy supply." Regional cooperation on electricity markets and generation was the focus of much of the discussion at the meeting in Prince Edward Island. Ministers met privately with the chief executive officers of the region's major electrical utilities Sunday evening. During Monday's session, energy ministers endorsed a terms of reference for the Atlantic Electricity Working Group. The working group has identified potential areas for immediate collaboration including resource adequacy in Atlantic Canada; climate change; and economic development impacts of the electricity industry. The ministers directed the working group to prioritize the regional areas of cooperation for immediate action. Atlantic energy ministers also directed their deputies Monday to develop a terms of reference for an analysis of the strengths and weaknesses of electrical capacity in the Atlantic region with a view to taking a regional approach to address future needs. It

will include analysis of the maximum potential for integrating renewable energy, including wind energy, into the regional electricity system. The terms of reference will be presented to ministers when they meet next in Newfoundland and Labrador in September. Appropriate federal ministers will be invited to meet with the Atlantic Ministers in Newfoundland and Labrador. The Ministers emphasized the need to continue to engage the federal government in discussions. "The energy sector holds great potential as an economic development engine in Atlantic Canada, however, federal participation and support is needed to fully realize that potential," said Minister Ballem. Other topics on the agenda at Monday's meeting included climate change and the international power line linking the Maritime provinces with the New England system. Ministers recognized the importance of the second tie-in between the region and the Northeast United States and directed staff and utilities to examine feasible ways to bring it about.

On the topic of climate change, ministers agreed to continue to press the Government of Canada to cooperate more fully with the provinces in finalizing the targets and rules for large final emitters and to address the burden sharing issues related to those targets and rules for Atlantic Canada's electricity supply and industry. Atlantic ministers are taking a lead in addressing climate change and see a strong role for renewable energy and demand side management which promotes energy efficiency. The Atlantic Energy Ministers' Forum was formed by the Council of Atlantic Premiers. It advocates regional cooperation on electricity, oil and gas, renewables and other energy initiatives. Energy ministers will report back to the Council of Atlantic Premiers on their progress when the Council meets in Nova Scotia later this month.

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For further information contact:

Sandra Lambe, Prince Edward Island - 902-368-5286

Karen Kelloway, Nova Scotia - 902-424-1757

Marc Belliveau, New Brunswick - 506-444-5912

Carmel Turpin, Newfoundland & Labrador - 709-729-5282