- 2) The NCPC should be relocated in the North if the alternative of complete federal devolution of the NCPC's responsibilities to the territorial governments is not quickly accepted.
- 3) The territorial governments should enter into discussions with the NCPC and the private utilities to determine how they can assist the territorial Crown corporations in discharging their responsibilities.

## The Need for Leadership and Co-ordination in Planning (Part IV)

In examining planning processes, the subcommittee found that:

- planning of electrical power ought to be integrated with the planning for all sources of energy required in the North;
- leadership from the federal and territorial governments needs to be strengthened; and
- the planning processes of the NCPC and the private utilities are good within the limits of their mandates, but greater co-ordination of planning is needed.

These findings cause the subcommittee to make the following recommendations:

- 4) The federal government and the government of each territory should prepare a long-term energy policy identifying the overall energy needs of each territory and how they might be satisfied.
- 5) A planning council (made up of representatives from the governmental utilities, private utilities and other producers and consumers of electrical power) should be established in each territory to prepare and annually update an electrical energy plan, taking into account the long-term energy policy of the governments, and to make recommendations for government funding of feasibility and other planning studies.

## A Solution to the Regulatory Dilemma (Part V)

In examining regulatory processes, the subcommittee found that:

- rates are primarily based on cost of service;
- any rate structure has some elements of cross-subsidization within groups and between groups of customers and must be subject to effective regulation;
- existing territorial public utility boards have full jurisdiction over private utilities, but not over the NCPC; and