

1 Q. The Water Management Committee to be appointed as set out in article 5.1 of the  
2 proposed Water Management Agreement would also play an important role in  
3 ensuring that the policy objectives set out in the *EPCA* and the *Water Management*  
4 *Regulations* are met and that adverse effects on existing power supply contracts are  
5 avoided. Please provide: i) an explanation of the criteria to be used in the selection  
6 of the members of the Water Management Committee; ii) the means to be  
7 employed to ensure that the Water Management Committee members possess the  
8 skills and knowledge necessary to carry out the functions of the Committee; iii) the  
9 intended audit procedure of the effectiveness of the performance of the  
10 Committee; and iv) the methodology by which these concerns are to be addressed  
11 in the proposed Water Management Agreement.

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13 A. Pursuant to article 5.1(a) of the WMA, the WMC would consist of two members  
14 appointed by CF(L)Co, and two members appointed by Nalcor. This ensures that  
15 each party has equal representation on the Committee.

16 However, the criteria for selecting Committee members, the means of ensuring that  
17 Committee members possess the necessary skill and knowledge, the procedure for  
18 auditing the Committee's performance and the methodology by which these  
19 matters are to be addressed in the WMA, are all yet to be determined. CF(L)Co is of  
20 the view that it is neither necessary nor contemplated by the Act or Regulations  
21 that this level of detail be developed at this time. Rather, the WMA is intended to  
22 provide for a framework consistent with the requirements of the Regulations. The  
23 necessary administrative process and procedure will be finalized at a later date  
24 once the details of the LC project are known.

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