



NEWFOUNDLAND AND LABRADOR

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

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COURIER

2012 01 06

The Honourable Jerome P. Kennedy, Q.C.
Minister
Department of Natural Resources
Government of Newfoundland and Labrador
7th Floor, Natural Resources Building
50 Elizabeth Avenue, St. John's, NL
A1B 4J6

Dear Minister:

Re: Muskrat Falls Review

I am writing in reply to your letter dated December 23, 2011 advising that it is of critical importance that the Board's report be received by March 31, 2012.

As indicated to you in my letter dated December 16, 2011 the Board believes that the earliest possible date for the completion of the Muskrat Falls review is June 29, 2012. However, as this review is at the direction of Government pursuant to section 5.1 of the *EPCA*, the Board is mandated to meet the requirements set out by Government. The Board will endeavour to do so.

The March 31, 2012 completion date will not permit the review to proceed as originally planned. To meet the March 31, 2012 deadline the Board has had to revise its planned activities to abridge the process. Specifically time may not allow for information requests in relation to the MHI report, the filing of technical evidence by other parties, or for the contemplated technical conference. I should also note that the March 31, 2012 date allows limited time for public hearings, so compromises will have to be made in this regard to ensure that interested parties are accommodated in the most efficient way possible. This will mean that the presentations will be held only in St. John's and, depending on the level of interest, may be time limited.

The revised review process is anticipated to include:

- Public presentations by Nalcor and Manitoba Hydro International Ltd. ("MHI") in mid-February (with the Board, Nalcor and the Consumer Advocate permitted to ask questions);
- Presentations from the public immediately following Nalcor and MHI presentations; and
- Written submissions and comments by the end of February.

I should also point out that, given the abridged timeline, the Board expects that there may be a number of issues that remain outstanding at the conclusion of the review which Government may wish to address in the future.

While I appreciate your offer of additional resources to assist the Board in meeting the deadline I can advise that the Board has had the necessary resources in place since June 2011 to complete this review. The only difficulty has, from the beginning, been Nalcor's inability to provide the required information. In fact I can advise that, even at this late date, with a completion deadline less than three months away, Nalcor has not answered a number of outstanding requests for information that were issued in mid-December.

It is in this context that the Board will work towards the March 30, 2012 deadline.

I trust this is satisfactory.

Sincerely,

A handwritten signature in black ink, appearing to read "Andy Wells", with a stylized flourish at the end.

Andy Wells
Chairperson & Chief Executive Officer