

LAWYERS

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December 5, 2016

Via email

The Board of Commissioners of Public Utilities Prince Charles Building 12o Torbay Road, P.O. Box 21040 St. John's, Newfoundland and Labrador A1A 5B2

Attention: Ms. Cheryl Blundon

Director of Corporate Services & Board Secretary

Dear Ms. Blundon:

Re: The Board's Investigation and Hearing into Supply Issues and Power Outages on the Island's Interconnected System – Phase 2 – Grand Riverkeeper Labrador, Inc.

Experts Reports

This is in reply to Hydro's November 10, 2016 Application to strike out the First Bernander Report, the Second Bernander Report and the Raphals Report in their entirety. In making this application, Hydro notes that the Board has not set a formal motions process to assess the permitted scope of expert evidence. Such a formal motions process could be considered at the December 9, 2016 meeting.

It is the Consumer Advocate's position that it would be premature at this juncture to strike any such reports. Such reports have the purpose of identifying potential risks to the adequate and reliable supply of power for the Island Interconnected System resulting from the Muskrat Falls Project. This opinion evidence will be subject to the rules of evidence. Also, any such reports are circumscribed by the limitations imposed on the Board by the Muskrat Falls Exemption Order.

The Board has set in motion a hearing and investigation to address whether Hydro has secured a reliable and adequate supply of power for the Island Interconnected System and any risks to such an adequate and reliable supply. The Consumer Advocate does not envisage a process wherein the Board is asked to quantify and qualify each and every allegation of risk.

It is the position of the Consumer Advocate that the securing of a reliable and adequate supply of power for the Island Interconnected System is in compliance with the Board's legislative mandate.

The objective of the Board's investigation and hearing is to ensure that should there be a failure to supply power from Muskrat Falls to the Island Interconnected System that Hydro have viable, alternative sources to ensure the interests of consumers have been adequately protected.

The Consumer Advocate will elaborate on his position in reference to this hearing in due course.

Yours truly,

BROWNE FITZGERALD MORGAN & AVIS

Stephen Fitzgerald

Solicitor for the Consumer Advocate

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