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**From:** LB  
**Sent:** October-14-19 11:58 PM  
**To:** Rate Mitigation Review; Dennis Browne  
**Subject:** Quebec Rate Mitigation Option

## Reference on Rate Mitigation Options and Impacts Relating to the Muskrat Falls Project Costs.

If it works as expected :

The proposal I made to Newfoundland and Labrador will help to keep electricity rate at a very low level for ever.

April 24, 2019

The Honorable Dwight Ball, MHA

Premier

Government of Newfoundland and Labrador

Dear Premier,

I am writing pursuant to the proposal my team and I sent to Government of Newfoundland and Labrador on February 12 and April 3, 2019.

My team and I are working to get the Quebec Government to pass a bill ordering Hydro-Québec to pay a fair price to CFLCo for Churchill Falls Energy.

We believe that a fair price would be at least 4.5 ¢ per kwh. ( 3.0 ¢ for Nalcor and 1.5 ¢ for H-Q)

As per Churchill Falls Contract, ending in 2041, CFLCo is receiving from Hydro-Quebec only 0.2 ¢ per kwh.

If we succeed, this would represent \$1.3 billion in additional annual revenues for CFLCo - a total of \$42 billion from 2009 to 2041.

My team strongly believes that the Government of Quebec will pass the Churchill Falls bill. We have highly persuading arguments!

To realize this ambitious project, major financial support will be required from our private investor team, perhaps in the order of over \$30 million.

This would not cost CFLCo or the Newfoundland and Labrador Government a penny.

The only thing we need from CFLCo is a contract whereby CFLCo agrees to give us 8% of CFLCo's annual revenue increase resulting from the bill passed by the Quebec Government.

We hope the Government of Newfoundland and Labrador will strongly recommend that CFLCo sign this specific contract with my team. We would like to start working on this exciting project soon and looking forward to hearing from you in order to further discuss our plans.

Sincerely,

LB

CC:

Ches Crosbie

Alison Coffin

Stan Marshall