

December 15, 2011

Ms. G. Cheryl Blundon
Director of Corporate Services and Board Secretary
Board of Commissioners of Public Utilities
120 Torbay Road
P.O. Box 21040
St. John's, NL A1A 5B2

Ladies & Gentlemen:

Re: Muskrat Falls Review – Tentative Schedule

We write further to the Board's letter of December 14, 2011 which requests the Consumer Advocate's input on the tentative schedule referenced therein. We appreciate the opportunity to provide this input.

We note that the Board's letter states that the Board has reviewed the proposed schedule in light of the recent filings made by Nalcor including Nalcor's recent formal Submission of November 10, and its filing of outstanding responses to requests for information by November 24, 2011. We note that some of the replies filed on November 24th were in relation to information requests dated September 9, 2011. The Consumer Advocate has recently filed further requests for information and anticipates more will be filed to be answered by Nalcor. Indeed, the Consumer Advocate and his consultants have continued to receive copies of quite voluminous filings from Nalcor in the form of exhibits that are just now being screened and released. On December 7th, we received CE-11 (Public), CE 13 (Public), CE-18 (Public), and CE- 22 (Public), and on December 8th, we received CE-12 Rev.1 (Public), CE-19 (Public), CE-20 Rev.1 (Public) and CE-23 (Public). On December 12th, we were copied on correspondence from Mr. Gilbert Bennett, Vice President, Lower Churchill Project enclosing three previously confidential exhibits {CE-52 Rev.1 (Public), CE-54. Rev.1 (Public) and CE-68 Rev.1 (Public)}. Mr. Bennett's letter stated that Nalcor has completed, as of that date, its screening of the confidential exhibits. However, there remain some 14 exhibits according to the letter that are subject to confidentiality that have not been released. We are in communications with Nalcor as regards that issue. Some of these are highly relevant documents.

This is all to underline the point that the Consumer Advocate, in light of the very recent filings and the filings yet to be made and hopefully disclosed by way of certain critical confidential exhibits, is quite concerned that there be reasonable timelines established that afford to the Consumer Advocate and his consultants an appropriate amount of time to receive and conclude a review of the evidence, ask appropriate questions, receive and review the responses (hopefully responses that are responsive to the question) and prepare a



report. If the report of Manitoba Hydro International (MHI) were to be filed by the end of January, 2012, it would be quite ambitious for our experts to file a report by the end of February, 2012, even supposing that there were no questions to be asked of MHI and further supposing that all answers to outstanding requests for information and requested confidential documents were also in hand by the end of January. Accordingly, we would potentially need some flexibility in that regard.

Beyond the issue of having appropriate time for the filing of expert reports, there is the need to ensure adequate time for not only the presentation of technical reports, which the Board's letter suggests in the end of March to early April timeframe, but also public consultations, and following that, formal submissions by interested parties/persons, which the Board's letter suggests be filed in the late April to early May, 2012 timeframe. Of course, from the Consumer Advocate's perspective, we too would be planning on having several public sessions around the province in order to receive customer input directly on the matters engaged in the review, as part of the Consumer Advocate's own consultation process. Accordingly, we would see formal submissions in early May as being potential achievable, though again, a rigorous timeline.

As regards the Board's assessment that June 30, 2012 is the earliest possible date by which it can file its report, based on the foregoing considerations, we would have to agree that that is simply being realistic given the work left to do and the Board's need to have time to take the matters under careful consideration. In fact, we frankly believe that an earlier forecasted date for the Board's report would not be achievable having regard to the complexity and importance of the matter at hand and the need for not only a due process but due deliberation and that it may well be that despite the best efforts of all that there is a need to re-visit the intervals outlined in the Board's letter as the process unfolds.

We look forward to working with the Board and the parties as regards the establishment of a workable schedule for this review and appreciate the opportunity to provide this input.

Should you have any questions in relation to the foregoing, please do not hesitate to contact me.

Yours very truly,

O'DEA, EARLE

THOMAS JOHNSON

TJ/cel