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BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

ST. JOHN'S OFFICE

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2011 07 21

Mr. Geoffrey P. Young Senior Legal Counsel Nalcor Energy P. O. Box 12800 Hydro Place, 500 Columbus Drive St. John's, NL A1B 4K7

Dear Mr. Young:

Re: Muskrat Falls Review – Document Filings

This is further to my letter to you of July 12, 2011 and your letter of July 15, 2011 relating to the information required to be filed by June 30, 2011 as set out in the Board's letter of June 17, 2011 (the "Information Request"). As advised in our meeting of July 8th and our letter of July 12, 2011 there were deficiencies in the information provided. While Nalcor did file additional documentation on July 15th, there still remain gaps and deficiencies with respect to the Information Request. It should be noted that the information requested was information that was expected to be existing and readily available and this understanding was confirmed by Nalcor at our meeting on June 17th.

Nalcor agreed at our meeting of July 8th, as detailed in my letter of July 12th, to file certain information required to comply with the Information Request during the week of July 11th and other information later, with Nalcor to advise when the information in this second category would be filed. As of July 21st, the Board has not received the following which was to be filed the week of July 11th [the numbers below refer to numbers in our letter of July 12th]:

"4. A report summarizing the purchase price of Muskrat Falls energy by Hydro from Nalcor."

In your July 15th letter you advised that this would be provided in your submission to be filed later this month.

"9. Reports related to the Strait of Belle Isle submarine cable crossing including, but not limited to, subsea surveys, landing points, cables routing, protection methods, etc."

In your letter of July 15, 2011 you advised that the information requested was proprietary in nature and further review by Nalcor was required. Under the Terms of Reference, all information is to be provided to the Board for its review and consideration though "commercially sensitive" information is not to be released to the public. The Board is fully entitled to and expects to receive all requested information on the Strait of Belle Isle submarine cable which is a major component of the Muskrat Falls Project. Please confirm when this information will be provided.

"10. A report summarizing the components, corresponding cost estimates and scheduled expenditures related to the refurbishment of the Holyrood Thermal Generating Station out of 2067 as a generating station."

With respect to No. 3 (d.c. system studies) and No. 7 (shore electrodes), a number of reports were filed by Nalcor which contemplated Gull Island being built first, not the current project. We inquire as to whether they have been updated to reflect the current Project with Muskrat Falls proceeding first and if so, when will the updated reports be filed. Please advise if they have not been updated.

The second category of information was to be filed later than the week of July 11th as we understood from Nalcor that it was not immediately available. Nalcor was to advise when this information would be available. Please advise of the date(s) that the requested information in this category will be available to the Board.

The third category of information identified in my letter of July 12, 2011 was Proprietary Information which Nalcor indicated it had to request third parties to consent for its release. As noted before, the Board is entitled to receive all relevant information and expects Nalcor to do whatever is required to file this information as soon as possible.

The Government has directed that the Board report on its review by December 30, 2011. We reiterate that it is critical that all information requested by the Board and its consultants be provided as soon as possible. The Board is concerned that delays in the provision of information may jeopardize this deadline.

We look forward to hearing from you on the questions set out in this letter.

Yours truly,

Maureen P. Greene, Q.C. Legal Counsel

c.c. Thomas Johnson, Consumer Advocate – E-mail: tjohnson@odeaearle.nf.ca