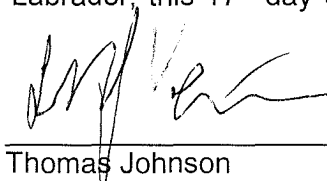


**Reference from the Lieutenant-governor in Council
On the Muskrat Falls Project
(the "Muskrat Falls Review")
REQUESTS FOR INFORMATION**

CA/KPL-Nalcor-242 Consumer Question: Can you please clarify that compounded interest on debt for both options under consideration have been included in the cost/benefit analysis of each? I note that to construct Muskrat Falls an immediate debt of approximately \$5 billion will be required, while the Isolated Island option capital requirements are spread over a 50 year period – the majority of which appear some 35-40 years down the road. My concern is a large debt incurred between now and 2017 gathers enormous interest, while a progressive build, with substantial capital requirement 30 years down the road, gathers much less interest. Has this been factored into the cost/benefit of each of these projects?

Dated at St. John's in the Province of Newfoundland and Labrador, this 17th day of February, 2012.



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