DANNY DUMARESQUE

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2014-09-22

Ms. Cheryl Blundon Newfoundland and Labrador Board of Commissioners of Public Utilities 120 Torbay Road St. John's, NL A1A 5B2

Dear Ms. Blundon:

RE: An Application by Newfoundland and Labrador Hydro for approval of a capital project to supply and install 100 MW of combustion turbine generation, pursuant to section 41 of the *ACT*.

On August 8, 2014 Hydro advised the Board that it was providing information in response to a Request for Information by Danny Dumaresque, Intervenor, (GT-DD-NLH-001) but it specifically requested that it not be posted to the Board's website in their unredacted form. This information gives a detailed breakdown of the money paid for the CT plant and the installation cost.

On September 10, 2014 I filed my Submission respecting this application and provided information which questions the value for money ratepayers will receive by paying nearly \$100 million for the engineering, procurement and installation of this CT unit. Since this Submission was filed, Mr. Henderson, VP of Nalcor, has publicly stated that Hydro paid "\$23 million" for this unit. In my Submission I explained that this unit was advertised by several US brokers for \$22 million or nearest offer.

On September 10, 2014 I publicly explained that Hydro had requested the Intervenors to <u>kindly</u> avoid reproducing or providing these RFI responses to members of the general public. Furthermore, I indicated that I would be seeking a legal opinion on whether this request was binding. You may also recall that your legal counsel also suggested that I request such an opinion.

The legal opinion which I have received states there is no legal basis for me to keep this information secret. Members of the general public have questioned why I am saying that the purchase and installation of the unit will cost nearly \$100 million when Hydro is creating the impression that they only paid \$23 million.

The release of the actual amounts that Hydro has contracted to pay for this unit and the installation cost would certainly clear the air. The ratepayers of this Province deserve to know how much of their money is being paid for this CT unit and its installation and let the people judge if we are getting good value for money.

Therefore, I hereby advise the Board that unless I am provided with a legal instrument within the next 48 hours I intend to publicly release the actual itemized cost that Hydro has contracted to pay for this equipment and its installation cost.

If you have any questions, please do not hesitate to contact me, via email danny.liberal@gmail.com or (709) 685-5719.

Sincerely yours,

Danny Dumaresque Intervenor

Encl.

cc. **NEWFOUNDLAND AND LABRADOR HYDRO**

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