

Hydro Place. 500 Columbus Drive. P.O. Box 12400. St. John's. NL Canada A1B 4K7 t. 709.737.1400 f. 709.737.1800 www.nlh.nl.ca

April 22, 2014

The Board of Commissioners of Public Utilities Prince Charles Building 120 Torbay Road, P.O. Box 21040 St. John's, Newfoundland & Labrador A1A 5B2

Attention: Ms. Cheryl Blundon Director Corporate Services & Board Secretary

Dear Ms. Blundon:

Re: The Board's Investigation and Hearing into Supply Issues and Power Outages on the Island Interconnected System – Request for Comments – Intervenor Status request from the Grand Riverkeeper Labrador, Inc.

This is further to your letter of April 14, 2014 regarding the application for intervenor status filed by the Grand Riverkeeper Labrador, Inc. ("GRK")

Hydro is in substantial agreement with the submissions filed in this matter by Newfoundland Power on April 16, 2014. The application discloses an intervention which would be based entirely upon the Muskrat Falls generating station project. The concerns listed in the Application to Intervene include the construction of the dams and the legal and contractual risks associated with the Water Management Agreement. The subject matter of the Inquiry, however, does not engage the merits of the decision to construct the Muskrat Falls Project, or the design of the Project. Hydro notes that the GRK has participated in separate proceedings, including appeals, involving these issues under environmental legislation. Further, the Water Management Agreement, which the Application for Intervention indicates the GRK seeks to impugn, was established by the Board by Order P.U.8 (2010) after a full hearing. Re-examination of these matters is unwarranted and outside the scope of the present proceeding.

In the Board's letter to GRK dated March 13, 2014 it was stated that an application to intervene must show that the intervenor's interest is relevant and that it will assist the Board in its determination of the matter. Further, it must demonstrate that the intervention will not jeopardize the efficiency or the effectiveness of the process. However, GRK's

Application to Intervene raises issues that are outside the scope of those listed in the Board's Procedural Order (Order No. P.U. 3(2014)) and an examination of those issues will lead the Board and the parties astray from the true objects of the Inquiry. An intervention which draws the Board and parties into an examination of extraneous issues causes substantive prejudice to Hydro and the other intervenors who have a right to an efficient regulatory process.

In light of the foregoing and given the challenging regulatory calendar faced by the Board, Hydro therefore respectfully submits that the GRK's Application to Intervene is neither reasonable nor necessary in the circumstances, and accordingly, should be denied.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Ge

Senior Legal Counsel

GPY/jc

cc: Gerard Hayes – Newfoundland Power Paul Coxworthy – Stewart McKelvey Stirling Scales Thomas Johnson – Consumer Advocate Danny Dumaresque