

Our File: 161520

March 27, 2018

The Honourable Justice Richard LeBlanc, Commissioner
Commission of Inquiry Respecting the Muskrat Falls Project
5th Floor, Suite 502, Beothuck Building
20 Crosbie Place
St. John's, NL A1B 3Y8

Dear Commissioner:

Re: Application by Nalcor Energy for Standing before the Commission of Inquiry Respecting the Muskrat Falls Project (the "Inquiry")

We act for Nalcor Energy, which has an interest in the subject of the Inquiry and hereby applies for standing before it.

Nalcor Energy is a corporation, established pursuant to the *Energy Corporation Act* and owned by the provincial Crown, which has undertaken the Muskrat Falls Project, as defined in section 2.1 of that *Act*.

The terms of reference of the Inquiry, set out in section 4 of the *Commission of Inquiry Respecting the Muskrat Falls Project Order*, give the Commission the mandate to inquire into:

- (a) the consideration by Nalcor of options to address the electricity needs of Newfoundland and Labrador's Island interconnected system customers that informed Nalcor's decision to recommend that the government sanction the Muskrat Falls Project, ...;
- (b) why there are significant differences between the estimated costs of the Muskrat Falls Project at the time of sanction and the costs by Nalcor during project execution, to the time of this inquiry together with reliable estimates of the costs to the conclusion of the project ...;
- (c) whether the determination that the Muskrat Falls Project should be exempt from oversight by the Board of Commissioners of Public Utilities was justified and reasonable and what was the effect of this exemption, if any, on the development, costs and operation of the Muskrat Falls Project; and
- (d) whether the government was fully informed and was made aware of any risks or problems anticipated with the Muskrat Falls Project, so that the government had sufficient and accurate information upon which to appropriately decide to sanction the project and whether the government employed appropriate measures to oversee the

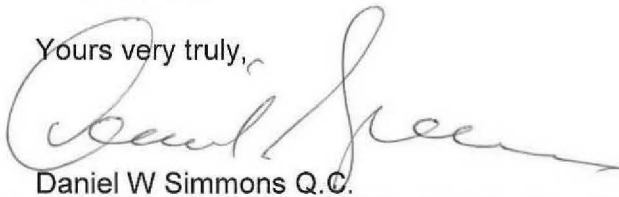
project particularly as it relates to the matters set out in paragraphs (a) to (c), focusing on governance arrangements and decision-making processes associated with the project.

The activities of Nalcor Energy and those associated with it will, in large part, be the subject of the Inquiry. Nalcor Energy is likely to be the subject of findings of fact, conclusions and recommendations to be made by the Commissioner in connection with all matters included within the terms of reference. It is thus a party whose interests could be adversely affected by the findings of the Commission.

Nalcor Energy has been engaged cooperatively with the Commission and its counsel regarding their ongoing investigation. The participation of Nalcor Energy as a party with standing will further the conduct of the Inquiry by allowing Nalcor Energy to participate fully and openly in public hearings and to make submissions addressing the issues raised by the terms of reference. It will contribute to openness and fairness by ensuring Nalcor Energy the opportunity to participate fully in the Inquiry process and to provide helpful information, explanation and commentary.

Should you wish to hear further from us concerning this application we can be available to attend the hearings at either Happy Valley-Goose Bay or St. John's. Nalcor Energy does not seek funding.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Daniel W. Simmons".

Daniel W Simmons Q.C.