

August 21, 2018

BY EMAIL – admin@musktratfallsinquiry.ca

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

**Attention: Honourable Justice Richard
LeBlanc**

Commissioner,

**Re: Commission of Inquiry Respecting the Muskrat Falls Project
– Request for Standing
Manitoba Hydro International**

I am writing on behalf of Manitoba Hydro International (“MHI”), who has retained our law firm and me specifically to represent their interests with respect to this Inquiry.

MHI prepared three reports in 2011/2012 for the Newfoundland Public Utilities Board and the Government of Newfoundland respectively. We understand those reports are of interest to the Commission and are likely of an interest to intervenors and others who have expressed concerns about the decision to proceed with the Muskrat Falls Project. MHI has received a summons to produce documents, has been requested to attend for an interview with Commission Counsel and has been advised that evidence from a representative will likely be required at the hearing. MHI's reports were reviewed by an expert retained by the Commission (Grant Thornton) who comments on MHI's review.

In reviewing the Commission's terms of reference, we note that the terms of reference include:

Section 4 a) consideration of Nalcor Energy's 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 of Newfoundland and Labrador sanction the Muskrat Falls Project, including whether:

- i) the assumptions or forecasts on which the analysis of the options was based on being reasonable;

- ii) not applicable; and
- iii) Nalcor's determination that the Muskrat Falls Project was the least cost option in the supply of power to Newfoundland and Labrador Island interconnected system for the period 2011-2067 was reasonable with the knowledge available at the time.

Section 4 d) whether the Government was fully informed and was made aware of any risks or problems anticipated with the project so that it had sufficient and accurate information upon which to appropriately decide to sanction the Project and the Government.

MHI was retained to review and report on two generation expansion alternatives and reported to both the PUB and the Government of Newfoundland and Labrador. The review by Grant Thornton, the expert retained by the Commission, comments on the MHI review. We anticipate questions may be asked of MHI with respect to the reports provided and Grant Thornton's conclusions.

We note that the *Public Inquiries Act*, Chapter P-38.1 specifically references those who might ask for standing at such an Inquiry:

5.1 A Commission shall give those persons who believe they have an interest in the subject of an Inquiry an opportunity to apply to participate.

5.2 A Commission shall determine whether a person may participate in an Inquiry, and how he or she may participate, after considering

- a) whether the person's interest may be adversely affected by the findings of the Commission;
- b) whether the person's participation would further the conduct of the Inquiry; and
- c) whether the person's participation would contribute to the openness and fairness of the Inquiry.

MHI submits that it meets each of the above requirements as its interests may be adversely affected; MHI will be a participant in the Inquiry and its evidence will inform the Commission. It requests standing at the Inquiry and in particular with respect to Section 4 a) and 4 d) above. At the present, it would not appear that MHI has any interest in or evidence which might impact on the Commission's Inquiry with respect to the differences between the estimated costs of the Project at the time of sanction, the costs incurred during execution nor with respect to the determination that the Project should be exempt from oversight.

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As such, MHI would only be requesting standing to address the issues which might impact on its reputation and/or which might impact on the Commission's Inquiry into the issues referenced above.

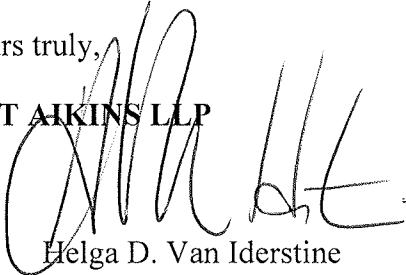
For all of the above reasons, MHI submits and requests standing at the Inquiry.

We would be happy to answer any questions about the standing if the Commissioner has any.

Yours truly,

MLT AIKINS LLP

Per:



Helga D. Van Iderstine

HDV:jm

cc: Mr. Barry Learmonth (by email)