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Government of Newfoundland and Labrador
Department of Natural Resources
Office of the Minister

ST. JOHN'S, NL December 12, 2011

Mr. Andy Wells
Chairperson and Chief Executive Officer
Board of Commissioners of Public Utilities
Prince Charles Building, 120 Torbay Road
P.O. Box 21040
St. John's, NL
A1A 5B2

Muskrat Falls – Distribution

- ☒ Original Copy
- ☒ Commissioners (4)
- ☒ Fred Martin
- ☒ S. Banfield/M. Greene
- ☒ Staff Copy

Dear Mr. Wells:

I am writing in reply to your letter of September 22, 2011, in which you stated that the Board cannot meet the December 30, 2011 deadline for its review of the Muskrat Falls Project, in accordance with OC2011-162.

We acknowledge that all parties have been diligently working towards meeting that deadline. Government is committed to facilitating the Board's comparison and review of the Project and the isolated island options in a manner that is both thorough and timely. In her October interview with David Cochrane of CBC, Premier Dunderdale stated: "There's a lively debate as there ought to be on a project of this size and we would never go to sanction without bringing the House of Assembly together, giving the people of the province a chance to hear the debate on the floor of the House of Assembly."

The House of Assembly is scheduled to open on March 5, 2012. During its sitting, the House will be busy with a throne speech, budget, and regular legislation. Therefore, it is imperative that we receive the report by March 31, 2012 to ensure that Members of the House of Assembly are not constrained in their ability to examine and debate the report.

Also, at the outset, government provided seven months to complete the Review. While we acknowledge that the formal submission has only recently been submitted, it was preceded by a considerable amount of project information that has allowed the Board and Manitoba Hydro International to advance their assessment. In this context, we feel that the extension would be commensurate with the scope of the remaining task necessary to complete the Review Terms of Reference.

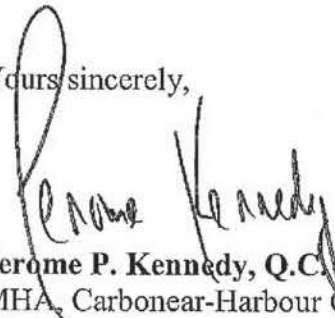
Rest assured that government is committed to assisting the Board in meeting the March 31, 2011 deadline, and would welcome the Board's advice as to what, if anything, is needed in order to meet this objective. For example, at your request government is willing to provide the

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means to enable the Board to adjust its processes and hearing schedule for other matters currently on its plate.

We look forward to discussing these options with you, and to receiving the report of the Board on this matter of fundamental importance to the Province.

Yours sincerely,



Jerome P. Kennedy, Q.C.
MHA, Carbonear-Harbour Grace
Minister of Natural Resources