

Nalcor Energy Response to Grant Thornton Question 1.3**Question:**

In reference to NAL00018156 - pg. 26 references a steering committee, and in NAL00000195 (DG2) - pg. 10 references the steering committee as being the VP of LCP and the CFO/VP Finance, and on pg. 66, there appears to be a declaration of readiness from the two individuals on the steering committee; however, when we reference NAL0000197 (DG3), there is no longer a reference to the steering committee. Did this Steering Committee exist at Decision Gate 3? Please describe the role of the steering committee from September 2008 to December 2012.

Response:

The role of the Steering Committee at Decision Gate 2 can broadly be described as vetting the scope of Decision Gate Deliverables required, supporting resource allocation to meeting these requirements, and monitoring progress towards completing Decision Gate Deliverables.

The Decision Gate Assessment Process, which is made up of four sequential steps, culminating with a Gatekeeper recommendation to the Nalcor Energy Board of Directors and Shareholder. Each step is supported by supported by Executive and Senior members of Nalcor's and the Lower Churchill Project leadership team and managers.

- At DG 2 the Steering Committee endorsed the Acceptance of Readiness (Step 2) of the DG Assessment Process (page 66 of NAL0000195).
- At Decision Gate 3, LCP ExComm endorsed the Recommendation, Endorsement and Approval of Readiness (Step 2) of the DG Assessment Process (page 9 of NAL0000197).

Please refer to information provided in the responses to Grant Thornton Questions 1.1 and 1.2 for information about the descriptions of individuals involved in the Decision Gate Assessment Process.

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