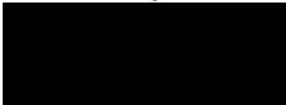


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Ronald Penney



David Vardy



The Honourable Sean Skinner, M.H.A.  
Minister of Natural Resources  
7th Floor, Natural Resources Building  
50 Elizabeth Ave.  
P.O. Box 8700  
St. John's, NL A1B 4J6

May 3, 2011

Dear Minister Skinner,

We have recently written the Public Utilities Board to ask whether the Muskrat Falls Project will be reviewed by the Board. In its response the Board has advised us that the project has been exempted from the Public Utilities Act and the Electrical Power Control Act, 1994, by the Lieutenant-Governor in Council.

We have followed with interest the public comments on the project and very much appreciated the extensive briefing given to us by senior officials of Nalcor. However we were surprised by the indication given at the briefing that the project may not be subject to review by the PUB, in light of the answers to questions in the House of Assembly on March 22, 23 and 24 of this year by Premier Dunderdale, as to the role of the PUB.

We strongly feel that a project of this size and complexity requires an independent review by the regulatory body charged with that task. This is the only way in which the public interest can be fully protected.

We do not understand why the project has been exempted. We are confident that the Board can expedite the hearing process so there is no undue delay and urge that you reconsider Government's exemption of this project.

This is one of the most important public policy issues ever to face the Province and it is imperative that the choice made by the Government be subject to independent review. The Muskrat Falls project may well be the best policy choice but the people of Newfoundland and Labrador need to have the choice tested by the Board which is set up for this purpose. We are requesting that Government reconsider its decision to exempt the project from the jurisdiction of the Board, in light of the magnitude of the project and the necessity to ensure that it is the best option, not only to meet our energy requirements but to mitigate the financial risk to the Province.

We look forward to your response.

Sincerely,

Ronald Penney and David Vardy  
Electricity Ratepayers  
Newfoundland and Labrador