

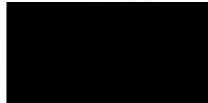
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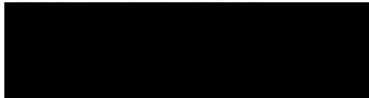
Government of Newfoundland and Labrador  
Department of Natural Resources  
Office of the Minister

June 22, 2011

Mr. Ronald Penney  
Electricity Ratepayers  
Newfoundland and Labrador



Mr. David Vardy



Dear Mr. Penney and Mr. Vardy:

I write in response to your letter of May 5, 2011 in which you asked that the Muskrat Falls Project be reviewed by the Public Utilities Board ("PUB") to ensure that the Project is our best option not only to meet our energy requirements, but to mitigate financial risks to the Province.

On June 17, 2011 Government announced that it had asked the Board of Commissioners of Public Utilities (PUB) to provide a supplemental review of the process used to determine that Muskrat Falls represents the least-cost option for the supply of power to Island Interconnected Customers compared to the Isolated Island development option. This request is part of the comprehensive evaluation process to move the Muskrat Falls and Labrador Island Link projects to final sanction. I have requested the PUB to report back to me by December 30, 2011.

As a Government, we felt that it was important to independently engage the PUB's expertise on this fundamental question as the Muskrat Falls development is the most significant electrical generation and transmission project undertaken by the Province in 50 years. This review is just one of the elements of Government's strategy to ensure that this project is subject to input from various sources prior to sanction and will further enhance our goal to engage the people of the province and ensure confidence about the decision to move ahead and sanction this development.

I appreciate your correspondence and trust that you will continue to study this issue as it develops over the coming months. You may find further information about the review the PUB has been asked to conduct at [www.releases.gov.nl.ca](http://www.releases.gov.nl.ca).

Yours sincerely,

A handwritten signature in black ink, appearing to read "Shawn Skinner". The signature is fluid and cursive, with a long horizontal stroke extending to the left.

**SHAWN SKINNER**  
Minister