

Board of Commissioners of Public Utilities

June

Notes of Meeting between Nalcor Officials and Board Staff - January 17, 2011

Meeting Title	Reference re: Muskrat Falls Project – Meeting with Nalcor
Date	June 17, 2011
Start Time	3:00 pm
Stop Time	4:45 pm
Place	PUB Hearings Room
Persons Attending	Nalcor - Geoff Young, Dave Harris, Gilbert Bennett, Paul Humphries, Angela Dunphy, PUB - Cheryl Blundon, Doreen Dray, Maureen Greene and Fred Martin

ITEMS DISCUSSED

1. Terms of Reference

General discussion of reference, appointment of Consumer Advocate and his role.

2. Overview of Intended Process

MG provided an overview of the Board's progress to date regarding review status including:

- i) Board's determination of review process, i.e., similar to Insurance Review. Key steps in the process were outlined
- ii) Scope of Review, and issues to be addressed.
- iii) Appointment of engineering advisors, issuance of RFP for engineering consultants - clarification of roles.
June 30 is the scheduled date for award of contract.
The Board agreed to forward copy of the Board's RFP to Nalcor early next week . Once contract is awarded the Board will advise Nalcor.
- iv) Critical dates, schedule/ timeline -
June 30 - Appointment of Engineering Consultants
Mid September - Eng. Consultants report due to Board
Oct Weeks 1-2 - Roundtable Discussions of experts
Late Oct - Public participation days
Nov 15 to Dec 15 - Review completed, Board drafting Report
Mid-December (prior to Christmas) – Board Report completed.
- v) Procedural Guidelines
The Board is working on and will distribute to all parties, including the Consumer Advocate ,a draft as soon as it is completed.

3. Information to be Filed by Nalcor

MG provided an overview of information that Board requires & importance of meeting critical dates. MG expressed the importance of having the information available to the Engineering consultants as soon as their appointment date.

Nalcor advised that they believe that they have most of the information requested, as referenced in the Board's June 17th letter, as they were required to file similar information in the Environmental Assessment process (EA). In the EA process they had a team who were responsible for filing of information and are confident that a similar team will be available to meet the Board's requirements.

4. Required Information Identified by Board

The list of information forwarded to Nalcor earlier in the day was discussed.

Nalcor believes it has most of the information requested by the Board; however it may not be in the format required. They will have to review and assess the level of detail contained in the reports and also whether the timeframes when the information was completed is useful for comparability purposes.

Nalcor advised that they will have a comprehensive/meaningful package available by June 30, some parts might come sooner.

Nalcor inquired as to whether the Board would be engaging separate financial consultants to work with the Engineering consultants. The Board advised that they would make a determination following receipt of the responses to the RFP.

5. Confidentiality- Identification of Commercially Sensitive Information

General discussion.

Nalcor advised that they may have an issue with the level of detail in some of their reports and advised that they intend to organize the information before it actually gets filed for the public record and inquired whether it would be acceptable for the Engineering Consultants to review the information and provide a report back to the Board. Nalcor advised that it hopes to file reports for the public record that will not include confidential information.

The Board advised it will be possible for Nalcor to work with the Engineering Consultants with respect to commercially sensitive information. The Board will treat commercially sensitive information in accordance with the OC and Terms of Reference. The Board emphasized that the OC cannot circumvent, and the Board's legislation is subordinate to ATIPP and as such information requests made under this ATIPP will be evaluated within the guidelines governing ATIPP.

6. Nalcor Engineering Contact

The Board advised that it wishes to have a senior Nalcor contact who could respond in a timely manner to the Board's technical advisors and engineers consultants.

Nalcor advised that they have had similar experience in the EA Process. **They will advise next week as the contact person/s.** They may have someone identified in each of the following three areas: Planning/Forecasting, Engineering and Financial with an overall coordinator.

7. Schedule

Initially Nalcor thought they would have about three weeks to respond to filing of information to make a submission. Nalcor acknowledged the schedule and critical timelines, and advised they were confident that they will meet the timelines.

8. Other Items

i) Intervenor Funding

Nalcor raised the issue with respect to potential intervenors/participants. The Board confirmed that the terms of reference do not address intervenor funding other than the Consumer Advocate. The Board advised that it does not have the jurisdiction to award intervenor funding prior or during a proceeding and will follow its normal policy whereby it may award costs following the review process.

ii) Nalcor Presentation to Board staff

The Board asked if Nalcor would be available to give a presentation of the overview of the Muskrat Falls project to Board Staff and possibly its consultants in the next 2-3 weeks. Nalcor advised it has a presentation already that it used for public information sessions. **Nalcor will advise early next week as to a presentation date.**

iii) Notice/ Public Communication

The Board advised that it issued a short press release earlier in the day. It will advise within the next week or two with respect to its communication strategy i.e. notice of public consultation process.

The Board advised that it has had preliminary discussions with the Consumer Advocate will have further discussions on the process and schedule with all parties.

Board of Commissioners of Public Utilities

Meeting Agenda

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Stop Time	
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Persons Attending	Nalcor - Geoff Young, Dave Harris, Gilbert Bennett, Paul Humphries, Angela Dunphy, Auburn Warren PUB – Cheryl Blundon, Doreen Dray, Maureen Greene and Fred Martin

ITEMS TO BE DISCUSSED

1. Terms of Reference
2. Overview of Intended Process
3. Information to be Filed by Nalcor
4. Required Information Identified by Board
5. Confidentiality- Identification of Commercially Sensitive Information
6. Nalcor Engineering Contact
7. Schedule
8. Other Items

**Board's Review and Reporting on
Two Generation Expansion Alternatives
Island of Newfoundland Interconnected
Electrical System**

SCHEDULE OF KEY ACTIVITIES	
Activity	Date
Meet with Associate Deputy Minister Natural Resources to discuss Reference	Friday, May 20, 2011 ✓
Receive Draft Reference from Government	May 25, 2011
Commence preparation of Request for Proposals	May 25, 2011
meeting with Commissioners Finalize Request for Proposals	June 2, 2011
Receive final Reference from Government	June 3, 2011
Issue Request for Proposals to Potential Proponents	June 13, 2011
Meet with Nalcor to confirm Document Requirements, Availability and Schedule for Receipt	June 13, 2011
Internal Presentation to Board Staff on the Project	June 17, 2011
Receive Proposals for Professional Services	June 23, 2011
Evaluate Proposals and Award Contract	June 27, 2011
Receive all Necessary Documentation from Nalcor	June 30, 2011
Draft of Procedural Guidelines	June 30, 2011
Nalcor presentation for Board Staff, Advisors and Consultants and Consumer Advocate	July 15, 2011
Public Notice of Reference	July 18, 2011
Nalcor Written Submission Filed →	July 23 - 24, 2011
Notices of Intention to Participate Filed	July 27, 2011
	August 19, 2011

**Board's Review and Reporting on
Two Generation Expansion Alternatives
Island of Newfoundland Interconnected
Electrical System**

Receive Draft Report from Consultant	August 31, 2011	/
Presentation of Draft Report — to BOARD STAFF + TECH ADVISORS	September 7, 2011	/
Receive Final Report from Consultant	September 15, 2011	/
Written Requests for Information to Nalcor on Submissions and Reports — Preliminary Round <u>1st</u>	September 15, 2011	/
Request to make Technical Presentation must be filed with scope of participation identified	September 22, 2011	
Responses by Nalcor to Preliminary Round of Questions	September 26, 2011	
Announce date and schedule for Technical Conference and Public Consultations <i>Media - Newspapers → October 4</i>	September 28, 2011	
Deadline for written Technical submissions	October 5, 2011	
Filing written Requests for Information on Technical Submissions	October 12, 2011	
Responses to written requests on Technical Submissions <i>- ADVISORY -</i>	October 20, 2011	
Media Release regarding Public Consultations	October 23, 2011 (Wk of)	
Technical Conference	October 24 – 28, 2011	
Public Consultations	October 31 – November 5, 2011	
Deadline for Requests for Information on issues arising from the Technical Conference	November 2, 2011	
Responses to Requests from Technical Conference	November 7, 2011	
Last Filing Day for Public Comments and Submissions	November 15, 2011	

**Board's Review and Reporting on
Two Generation Expansion Alternatives
Island of Newfoundland Interconnected
Electrical System**

Draft Board's Report to Government	November 15 – December 15, 2011
Issue Board's Report to Government	December 30, 2011

[illegible]

June 17th, 2011.Meeting

Terms of Reference - Further outline Projects.
Natcon in Terms of Reference

Understanding &
 Defn 'of' Projects

Make a filing - have descriptive material in filing

a couple of weeks -

Description - Generation Project - Environmental Project

→
 - Transmission.

2nd Item → Intended process -

global Definition

Board believed Automobile Insurance that Review process
 Guidelines - plan to follow. Report back worked well.

CA ^{was} → Acknowledged process. → works well. ←

Retain Independent Engineering Consultant.
 complete report -

Stat process - opportunity for parties &

→ Roundtable → Full exchange of technical review
 + opinions

→ Public consultants → where & when. →

→ Board has to write a report.

- public do not have opportunity

Technical Conference in Early Oct. -

Technical Conference
Amongst
Legal Counsel
Experts.

→ GB - Many interest
→ Who has - broad spectrum of interest.
→

↳ Independent Engineer - report that they are going to file: assisting -

↳ Fred + Sam Banfield → Technical Advisors.

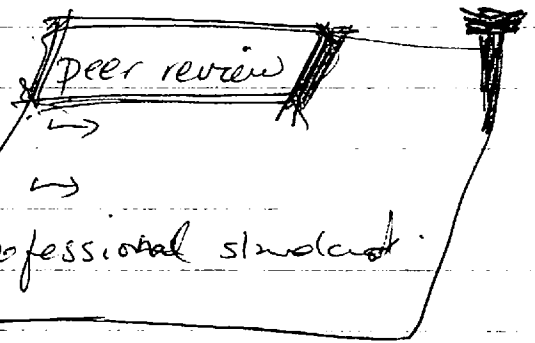
Role

- Coordination of Information
Smooth flow + information

issued -

RFP →

(3 Consultants who have expertise) -



Public Perspective →

June 30 → Award of Contract

Scope of Services - more general than I liked

What is the

↳ Project -



Fred asked - what exactly proposing to build?

- What has been done since

- What is not on the list.

→ GB - Is there greatest design level of interest
→ Capital costs -
in what light?

Economic Analysis -

Cost - How it can supply information

- detailed design

- feasibility work

↳ - plant subscriptions of Muskrat.

(FM) update for now. →

Capital Cost Estimates (How to package)

(FM) ^{How H} Went from 98 to now.

DB2 - differences since 1998

generation expansion plan
since 2010?
was it updated since?

subcable -

Report → project definition report

3 or 4 pages?

→ design

→

→ future

CPW's
calculations
load forecast

DB3 study

→ upgrading of Holyoak - ?

Concept of Development - PK of 1180
↳

(DB) forecast - What PK of material - H basic analysis on

process -

Same as Capital Cost
New " " estimate

Sanction Date? ^{GB} Ready construction year end? ^{GBW analysis}
↳ Environmental assessment. ^{SA}

↳ Upper Churchill regrest agreement - Inna.
→ Weather

→ practically next Spring.

GB Agreement will end
Emera - Nov This year

What can it expect to follow? ^{When?}
Comprehensive package → must be based on same financial model?
→

→ Series component studies

Generation Issues - supporting data

↳ meaningful package → by June 30th, 2011

Agree to a ^{short} Advisor ^{that}
Have much of
information
available
not sure if it
the format required
may be determined -

→ Engineering Consultants

CPW Analysis

Optimization Report - How did you arrive at 825 mg.

↳ not sure of

Schedule of Information

BG Financial ?

Economic Market Analysis

- investment analysis
- full forecast

16 Financial Analysts
Consultants
Asking Eng. Firm to do
They want Financial Partner w. n
ACI 5.50's hasn't
Board decided
Waiting for
response to RFP's

(2) Confidentiality -
Commercially sensitive -
not be placed on record

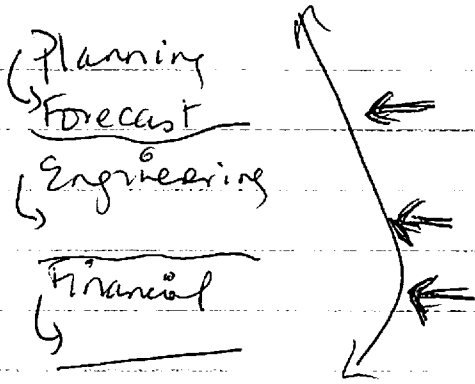
may have
problem with
level of detail -
Environmental Assessment

process -
Hydrogeological
they faced
problem in assessment
questionnaire
discussed

↳ Is it acceptable for consultants to meet + report back
to Board + provide opinion.

↳ Clarity → Who
(GB) - will provide someone.

Board
requested
A person
to be identified
who would
respond
without
have to go
to high
level



Confidentiality → Commercially sensitive.
 → determine
 Comed up in the process | — Hopefully work with
 Consultants as informants.
 Looks at → (H) trying to organize before actually filing.

Review of Schedule

Schedule -

July 4

Sept 15

Nov 15

Dec 16.

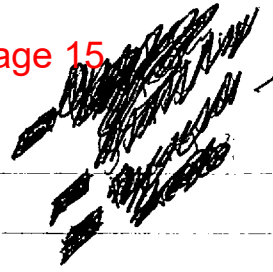
→ October - Technical Review

Available resources → (Band is concerned.)

(H) → Understand.

→ confident will get up to speed to meet.

= EA Team



Confirmed
Nalcor → Process

- = Advising next week
- = Understanding dates - Dec 30
- Interface of Advisors / Eng Consults
- Deliverable - Board
- RFP
- Procedural Guidelines

Helpful to Board staff - If give an overview of project.
presentation =

(2-3 weeks)

Technical briefing →
 = RFP.
Consultant Retainment.

→ Public Notice next week.

↳ Independent Consultant - process

↳ Report will be filed
 sessions in the fall

CA - Understand of his level of participation.