



New Brunswick | Newfoundland and Labrador | Nova Scotia | Prince Edward Island

March 9, 2012

Via email: cblundon@pub.nl.ca and courier

Board of Commissioners of Public Utilities
P.O. Box 20140
St. John's, NL. A1A 5B2

Attention: Cheryl Blundon
Board Secretary

Dear Ms. Blundon:

**Re: Reference from Lieutenant-Governor in Council on the Muskrat Falls Project
(the "Muskrat Falls Review")**

We write further to your letter dated February 29, 2012 in which the Board advised that it would enter on the record of its conduct of the Muskrat Falls Review the August 2011 report (the "Report") of the Joint Review Panel on the Lower Churchill Hydro Generation Project (the "JPR"). We interpret this to mean that while the Report will be considered by the Board, the evidence presented to the JPR on which the Report is based will not be.

As stated on the record during the hearings when the issue arose, Nalcor questions the relevancy of the Report given the very precise mandate given to the Board under the Terms of Reference. While it is appreciated that the Board is reluctant to apply an overly strict interpretation of the rules of evidence and hold that the Report should not be entered on the record, the weight given to the report must nevertheless reflect the fact that the Report (i) is being entered without any opportunity for critical examination of its evidentiary underpinnings, (ii) was limited to providing environmental recommendations which may or may not be accepted by the federal and provincial governments and (iii) was the result of a process with a completely different mandate than that of the Board.

Therefore, Nalcor respectfully submits that the use of the report for purposes of the Board's consideration of the reference question should be strictly circumscribed. Where the Report is in conflict with evidence on the Record, the Report should be given very little weight.

Thomas J. O'Reilly, Q.C. | Partner

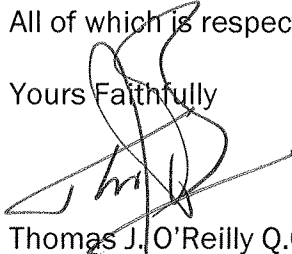
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Where the Report constitutes the only evidence on a specific issue, Nalcor submits that the Board should find that it does not have sufficient evidence to make a finding on that issue.

All of which is respectfully submitted for the Board's consideration.

Yours Faithfully



Thomas J. O'Reilly Q.C.

c.c. Mr. Thomas Johnson
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