

Date : 8/28/2011 6:51:35 PM

From : "Marshall Q.C., Hon. Thomas"

To : "Constantine, Robert"

Subject : RE: Info for Minister Marshall

Is it an option and ,if so ,a cheaper option to (god forbid) buy sufficient power to meet increased demand and close Holyrood from HQ ?

From: Constantine, Robert

Sent: Thu 8/25/2011 2:12 PM

To: Marshall Q.C., Hon. Thomas

Cc: Paddon, Terry

Subject: FW: Info for Minister Marshall

Minister:

Here is the response which I received from NR in relation to your question about Dr. Collins letter to the editor. We will likely get a more fulsome response later.

From: Scott, Paul G.

Sent: Thursday, August 25, 2011 10:20 AM

To: Constantine, Robert

Subject: FW: Info for Minister Marshall

Bob,

See below. I agree with Walter; this issue might be more complex when you dig into it, but Dr. Collins doesn't seem to have gone there.

Paul

From: Parsons, Walter

Sent: Thursday, August 25, 2011 10:03 AM

To: Scott, Paul G.

Subject: RE: Info for Minister Marshall

Paul,

That would logically be the next question, but we reviewed the specific piece in the Telegram this weekend and that concept was not brought up at all by Dr. Collins. However, I asked Dawn to prepare a response to that idea, as well as the concept of importing power from the bulk power markets through a legitimate transmission booking in the HQ system, in anticipation of those very questions. They are on it but with Peter Hickman out on vacation this week, they are not able to put together an opinion and solid response on the penalty option at least until next week.

I suggest we send the answer as it is, since it addresses Dr. Collins question, and continue to develop the other responses in the meantime.

Let me know if you prefer a different approach,

Walter

From: Scott, Paul G.

Sent: Thursday, August 25, 2011 9:45 AM

To: Parsons, Walter

Subject: RE: Info for Minister Marshall

What about the possibility of importing power to our needs and paying a penalty?

From: Parsons, Walter

Sent: Thursday, August 25, 2011 9:37 AM

To: Scott, Paul G.

Subject: RE: Info for Minister Marshall

Paul,

I received the additional info from Nalcor this morning. Here's the explanation:

Nalcor closely examined several alternatives to meet the Island's electricity needs. Muskrat Falls, with a transmission link from Labrador to the Island, emerged as the least-cost option.

Under the Churchill Falls Power Contract, Newfoundland and Labrador Hydro has the right to recall 300 megawatts (MW) at the same price as Hydro-Quebec pays Churchill Falls (Labrador) Corporation. A significant portion of the recall power is used in Labrador to meet the needs of residents and industrial customers on the Labrador Interconnected electricity system. Nalcor looked at bringing power from Churchill Falls but with only about 80 MW on average available in the winter, there's not enough energy to meet the Island's electricity needs – Holyrood would have to be maintained and Hydro would continue to rely on oil and other Island alternatives to meet future demand.

Please forward to Bob for the Minister if this works for you. Otherwise, give me a call to discuss.

Walter

From: Scott, Paul G.
Sent: Wednesday, August 24, 2011 9:04 PM
To: Parsons, Walter
Subject: Info for Minister Marshall

Hi Walter,

Did we get this off to the Minister?

Thanks

Paul

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