

Date : 3/18/2011 9:30:25 PM
From : "Thompson, Robert"
To : "Chippett, Jamie" , "Paddock, Jeff"
Subject : Re: Energy question/issue
Attachment : ATT624419.jpg;

Makes sense

Sent Via BlackBerry

From: Chippett, Jamie
To: Paddock, Jeff
Cc: Thompson, Robert
Sent: Fri Mar 18 21:28:24 2011
Subject: Fw: Energy question/issue

Jeff,

Suggest we use text below from Dawn

they have not been able to reconcile so rather than delay below is proposed fix. If they fix before we print we can insert number.

Jamie
Cabinet Secretariat
Executive Council
Government of Newfoundland and Labrador
P.O.Box 8700
St.John's, NL
Canada
A1B 4J6

Sent Via BlackBerry

From: DawnDalley@nalcoreenergy.com <DawnDalley@nalcoreenergy.com>
To: Chippett, Jamie
Cc: Bown, Charles W.
Sent: Fri Mar 18 21:21:57 2011
Subject: RE: Energy question/issue

Here's what I would recommend:

Every year, we generate part of our electricity on the island from the oil-fired plant in Holyrood. This power is costly and dirty. In our Energy Plan, my government committed to the communities and residents who live around the Holyrood Generating Plant that we would install scrubbers and precipitators if we did not proceed with the Lower Churchill Project. These would cost in the order of 600 to 800 million dollars and, ultimately, would not eliminate all the emissions from this facility. The plant is aging and would require outright replacement within a couple of decades; and growing demand would require additional capacity from our limited supply of small hydro, and some wind. However, our main source of generation to meet long-term growth in the province would ultimately be more thermal generation. All told, the capital costs for these alternatives could surpass 3.2 billion dollars. With oil prices rising and forecast to go higher, the costs of generating power at Holyrood would raise consumer electricity prices significantly, hurting families in their pocketbooks and employers on their balance sheets.

From: "Chippett, Jamie" <jamiechippett@gov.nl.ca>
To: <DawnDalley@nalcoreenergy.com>, "Bown, Charles W." <cbown@gov.nl.ca>
Date: 03/18/2011 09:15 PM
Subject: RE: Energy question/issue

To be sure we are all saying the same thing:

Rather than using this:

On average, between 25 and 40 per cent of the Island's electricity can be generated from the burning of oil. That energy is costly. In our Energy Plan, my government committed to the communities and residents who live around the Holyrood Generating Plant that we would install scrubbers and precipitators if we did not proceed with the Lower Churchill Project. These would cost in the order of 600 to 800 million dollars and, ultimately, would not eliminate all the emissions from this facility. The plant is aging and would require outright replacement within a couple of decades; and growing demand would require additional capacity from our limited supply of small hydro, and some wind. However, our main source of generation to meet long-term growth in the province would ultimately be more thermal generation. All told, the capital costs for these alternatives could surpass 3.2 billion dollars. With oil prices rising and forecast to go higher, the costs of generating power at Holyrood would raise consumer electricity prices significantly, hurting

families in their pocketbooks and employers on their balance sheets.

We are using something like this:

The portion of the Island's electricity that can be generated from the burning of oil is costly. In our Energy Plan, my government committed to the communities and residents who live around the Holyrood Generating Plant that we would install scrubbers and precipitators if we did not proceed with the Lower Churchill Project. These would cost in the order of 600 to 800 million dollars and, ultimately, would not eliminate all the emissions from this facility. The plant is aging and would require outright replacement within a couple of decades; and growing demand would require additional capacity from our limited supply of small hydro, and some wind. However, our main source of generation to meet long-term growth in the province would ultimately be more thermal generation. All told, the capital costs for these alternatives could surpass 3.2 billion dollars. With oil prices rising and forecast to go higher, the costs of generating power at Holyrood would raise consumer electricity prices significantly, hurting families in their pocketbooks and employers on their balance sheets.

If you two are okay, I propose to insert this, say it is final, and say if we resolve number we can reinsert provided we haven't gone to print.

Please advise if this approach and the second paragraph are acceptable.

Thanks

Jamie

Jamie D. Chippett
Deputy Clerk and Associate Secretary to Cabinet
Cabinet Secretariat, Executive Council
St. John's, Newfoundland and Labrador
Telephone: 1-709-729-2844
Fax: 1-709-729-5218
email: jamiechippett@gov.nl.ca

From: DawnDalley@nalcorenergy.com [<mailto:DawnDalley@nalcorenergy.com>]
Sent: Friday, March 18, 2011 8:57 PM
To: Bown, Charles W.
Cc: Chippett, Jamie
Subject: Re: Energy question/issue

Agree.
Dawn Dalley,
Manager, Corporate Communication & Shareholder Relations
This Email was sent from a Blackberry wireless handheld. The Email, including attachments, is confidential and proprietary. If you are not the intended recipient, any redistribution or copying of this message is prohibited. If you have received this Email in error, please notify us immediately by return Email, and delete this Email message.

From: "Bown, Charles W." [cbown@gov.nl.ca]
Sent: 03/18/2011 08:07 PM NDT
To: Dawn Dalley
Cc: "Chippett, Jamie" <jamiechippett@gov.nl.ca>
Subject: Re: Energy question/issue

I'd recommend we remove the reference to percent and continue the sentence.

Sent Via BlackBerry

From: DawnDalley@nalcorenergy.com <DawnDalley@nalcorenergy.com>
To: Bown, Charles W.
Cc: Chippett, Jamie
Sent: Fri Mar 18 20:02:04 2011
Subject: Re: Energy question/issue

I cannot reconcile these numbers based on the data I have available to me this evening which I just reviewed. The various components are grouped together in a way that only someone in our system planning department (2 people) may be able to validate. I am pursuing them to see if I can get someone remotely to review this. Just sent it to Paul Humphries and he's trying to track one of this guys to review it or see if it's based on what we sent.

Can you go back to Jackie and ask her if she has the source documentation or whomever in her shop put this together to see what's included? I assume if they have source data from us, it's accurate but I can't tell what's included. For example, does thermal include diesels. We separate that from Holyrood. Are the numbers net of line losses?

Dawn



Dawn Dalley

Manager, Communication & Shareholder Relations

Nalcor Energy

t. 709.737.1315 c. 709.727.7715 f. 709.737.1816

e. ddalley@nalcorenergy.com

w. nalcorenergy.com

From: "Bown, Charles W." <cbown@gov.nl.ca>
To: "Chippett, Jamie" <jamiechippett@gov.nl.ca>
Cc: <DawnDalley@nalcorenergy.com>
Date: 03/18/2011 07:00 PM
Subject: Re: Energy questiun/issue

Jamie

I'm on the highway. Dawn Dalley is reconciling the statement in the sft with data Jackie used in her presentation to Senate.

Dawn will send a new intro to the sentence shortly. I am checking email and will call in 30 Mins.

CWB

Sent Via BlackBerry

From: Chippett, Jamie
To: Bown, Charles W.
Sent: Fri Mar 18 18:38:46 2011
Subject: Energy questiun/issue

Robert asked that you copy me in when you have a solution on resolving the issue which came up today re this text? We need an answer tonight (next couple of hours) as final review is expected later this evening.

Thanks

Jamie D. Chippett
Deputy Clerk and Associate Secretary to Cabinet
Cabinet Secretariat, Executive Council
St. John's, Newfoundland and Labrador
Telephone: 1-709-729-2844
Fax: 1-709-729-5218
email: jamiechippett@gov.nl.ca

"This email and any attached files are intended for the sole use of the primary and copied addressee(s) and may contain privileged and/or confidential information. Any distribution, use or copying by any means of this information is strictly prohibited. If you received this email in error, please delete it immediately and notify the sender."

"This email and any attached files are intended for the sole use of the primary and copied addressee(s) and may contain privileged and/or confidential information. Any distribution, use or copying by any means of this information is strictly prohibited. If you received this email in error,