

Date : 4/1/2012 6:07:58 PM
From : "Thompson, Robert"
To : "Thompson, Robert"
Subject : RE:
Glenda

My major thoughts are: 1) we should say that while the PUB report is somewhat negative, it did conclude on page xx that, based on available DG2 information, the Muskrat Falls option is the least cost approach. 2) The idea of waiting for more detailed information before making a final decision is the very position of the provincial government. We will only sanction the project after DG3 information is submitted and assessed.

Regarding the hiring of MHI, I don't think we should say we are securing the services of MHI "BECAUSE" the PUB failed to do its job. Rather, I suggest along the following lines: when DG3 data is available it must be assessed by the provincial government prior to sanction. For complex projects we hire advisors to provide expert advice. Given MHI's role with the PUB we have decided to hire MHI for this role. As with all other information, we will make their advice public. We have also decided to have a special debate in the House of Assembly

A few minor edits below:

The Provincial Government received the report of the Board of Commissioners of the Public Utilities Board on the evening of Friday, March 30, just over nine months after it had charged the PUB with examining whether the development of the Interconnected Island option is the least cost approach to meet anticipated demand as compared to the Isolated Island option.

It is both puzzling and disappointing that nine months and xxx dollars later, the conclusion of the PUB is essentially that they could not come to a conclusion. This despite the fact that Manitoba Hydro, the experts hired by the PUB, and the Consumer Advocate, were both able to come to a conclusion using the same information the PUB had at its disposal. These conclusions both supported Muskrat Falls as the least-cost option.

At no time did the Chair of the PUB indicate that it would be unable to reach a conclusion. While the PUB did request a second extension to the report deadline, this was requested in order that a more extensive public consultation process be held. Why would such an extension be requested if it was expected that no conclusions could be reached?

The PUB states that it needs access to Decision Gate 3 data in order to come to a conclusion on the question from government. This is puzzling given that all parties were well aware from the outset that DG3 data would not be available prior to the deadline for submission of the report.

Manitoba Hydro, the Consumer Advocate, as well as others like Dr. Wade Locke and Navigant, all used data from Decision Gate 2 to draw their conclusions. It is unfortunate that the PUB could not do the same.

Because of the inability of the PUB to reach a conclusion, the Provincial Government must take action. We are securing the services of Manitoba Hydro, the very experts used by the PUB, to ...

When the analysis of Manitoba Hydro is complete, we will publicly release the reports generated by their work and table them in the House of Assembly to inform a special debate on the development of Muskrat Falls.

We remain confident that Muskrat Falls is the least-cost option to meet electricity demands on the island, while also supplying power for industrial development in Labrador. It will only be developed in the best interests of the people of Newfoundland and Labrador.

-----Original Message-----

From: Thompson, Robert
Sent: Sun 4/1/2012 5:20 PM
To: Thompson, Robert
Subject:

The Provincial Government received the report of the Board of Commissioners of the Public Utilities Board on the evening of Friday, March 30, just over nine months after it had charged the PUB with examining whether the development of the Muskrat Falls generation facility is the least cost option to meet anticipated demand.

It is both puzzling and disappointing that nine months and xxx dollars later, the conclusion of the PUB is essentially that they could not come to a conclusion. This despite the fact that Manitoba Hydro, the experts hired by the PUB, and the Consumer Advocate, were both able to come to a conclusion using the same information the PUB had at its disposal. These conclusions both supported Muskrat Falls as the least-cost option.

At no time did the Chair of the PUB indicate that they would be unable to reach a conclusion. While the PUB did request a second extension to the report deadline, this was requested in order that a more extensive public consultation process be held. Why would such an extension be requested if it was expected that no conclusions could be reached?

The report indicated that the PUB felt it needed access to Decision Gate 3 data in order to come to a conclusion on the question put to them by government. This is puzzling given that all parties were well aware from the outset that DG3 data would not be available prior to the deadline for submission of the report.

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Sent Via BlackBerry