

No.	Lower Churchill Project Strategic Risks	Unmitigated - Costs		Mitigated (including mitigation costs)		Unmitigated - Time		Mitigated (including mitigation costs) - Time	
		Best	Worst	Best	Worst	Best	Worst	Best	Worst
1	Organizational experience and resources for a project of this size							Can SNC be encouraged to bring best personnel - include tactical cost?	
2	Time required under Crown Corporation rules to gain approval							Impact on Time Risk to be determined? - Create Mgt. Schedule to incorporate strategic time risks	
3	Changes in the financial market							Not an issue	
4	FOREX							Determine impact later	
5	Risk premium for obtaining lump sum contracts	0	0	0	0			Covered in tactical ranging - have around \$15-20 MM?	
6	Extra year required to secure long-term load PPAs								
7	Federal government facilitation / support								
8	Changing market portfolio requires changes in project scope	0	0	0	0			No impact to model now -	
9	Good HSE record is critical for project success - includes road issues							Include tactical cost - cost per work hour	
10	Availability of resources for quality design	0	0	0	0			Tactical risk now	
11	Submarine cable crossing of Strait of Belle Isle	0	0	0	0			Have as strategic opportunity	

12	Faults in submarine cable during commissioning and post installation	0	0	0	0			Model Holyrood fuel savings?	
13	Facility Reliability	0	0	0	0			Tactical risk now	
14	Securing Multiple EA's consistent with project target schedule and financial								
15	Environmental process impact on design							Closed	
16	Potential design impact on environmental process							Closed	
17	Schedule impact due to lack of IBA with Labrador Innu	0	0	0	0			Cover with tactical	
18	Problems with other Aboriginal groups	0	0	0	0			Allowance in Owner's Costs? - \$25-30 MM	
19	Non-aligned or non-government organization protest								
20	Availability of experienced hydro contractors - see #24			0	0			Confirm value later - should be ok - expected cost of \$40 MM x 2 - (cost of two dams or hydro x 5% or 10%?)	80 now part of 500
21	Ability to use Newfoundland/Labrador contractors due to credit worthiness	0	0	0	0			Tactical risk now - make sure impact included in estimates	
22	Availability of qualified construction management/supervision	0	0	0	0			Covered in other risks	
23	Site conditions worse than geotechnical baseline	0	0	0	0			Tactical risk now	
24	Availability and retention of skilled construction labour - Re-word to make			0	500			wage and camp	100 now part of 500
25	Availability of unskilled construction labour				combined with #24				
26	Limited number of hydro turbine suppliers	0	0	0	0			Closed	

27	De-escalation/Hyper-inflation risks							Not applicable	
28	Availability of experienced high voltage contractors and skilled labour - see #24			0	0			Value at end of session - expected \$20 MM or higher when considering productivity issues	40 now part of 500
29	Limited number of HVdc experienced suppliers and installers	0	0	0	0			No remaining strategic risk - now just a tactical risk - opportunity with contracting strategy	
30	Regulatory approval for sea-return electrode								
31	Non-release of equity by shareholder prior to financial close	0	0	0	0			Not an issue now	
32	Delay in release of the Island Link from EA							Sept. 12 - confirm	June 13 - confirm
33	Uncertainty on Commercial Structure for Transmission							Not applicable	
34								Not applicable	
35								Not applicable	
36									
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42									
43	Challenges attracting and retaining quality required Owner's team resources							Add funds in tactical	
44									
45									
46	Productivity Risk - labor and frontline supervision - see #24				0			Confirm	500

New Totals:

0

0

0

500