

Date : 9/7/2012 9:06:44 AM
From : "Kennedy, Jerome"
To : "Maclean, Heather"
Subject : Re: Fyi. Letter to editor re: Wangersky's editorial

Fine

Sent Via BlackBerry

From: Maclean, Heather
To: Kennedy, Jerome; Bown, Charles W.
Cc: Shute, Tracy
Sent: Fri Sep 07 08:48:28 2012
Subject: Fyi. Letter to editor re: Wangersky's editorial

Minister- are you ok with nalcor response noted below??? Supported by PO- lynn aware

H

Sent Via BlackBerry

From: DawnDalley@nalcorenergy.com <DawnDalley@nalcorenergy.com>
To: Maclean, Heather; Power, Glenda; Hammond, Lynn
Cc: Bown, Charles W.
Sent: Thu Sep 06 21:26:47 2012
Subject: Letter to editor re: Wangersky's editorial

We'd like to send this asap. Sorry for the notice but I was in Hfx today and slowed up the review. Pls let me know if you have concerns. Not sure we'll make the paper tomorrow but I'd really like to appeal to them tomorrow to run this. His editorial was egregious.

Newfoundland and Labrador Hydro is planning prudently for the province's power needs

I am writing in response to Russell Wangersky's editorial on September 1, 2012, Muskrat Falls will eventually be our only option.

Mr. Wangersky implies that Newfoundland and Labrador Hydro (Hydro) is not adequately planning to address our province's current and future electricity needs. This is inaccurate and misleading to the people of this province. On the contrary, Hydro has been engaged in comprehensive, long-term planning for many years, and our focus on future planning is driven by our commitment to provide a safe, reliable and least cost supply of power to our customers.

Our provincial electricity system is aging, with much of this infrastructure built in the 1960s and 70s at a time when the province was working to electrify most communities - from small rural outposts to growing urban centres. With key infrastructure reaching the end of its useful service life, long-term planning and capital investments are essential to continue providing a secure power supply.

Investments in the electricity system are made in a strategic manner following our annual, five-year and 20-year capital plans. These plans facilitate long-term planning to ensure a continued supply of safe, reliable electricity well into the future. Our planning follows international accepted best practices for generation and transmission planning criteria, which determines the timing of introducing new infrastructure upgrades.

Hydro's five and 20-year capital plans are reviewed and updated annually as new information becomes available regarding our infrastructure and future load demands. What Mr. Wangersky's editorial failed to recognize is that these strategies are about doing the right work, at the right time, for the right reasons.

In the past five years, Hydro has invested more than \$300 million in our provincial electricity system, and we expect to invest an additional \$75 million annually for the next 20 years to maintain electricity assets across the province. These are significant investments driven by a requirement to upgrade, repair and replace aging components of the province's electricity infrastructure, as well as needed additions in generation and transmission infrastructure to meet future electricity demand and load growth.

Our long-term planning and investments are driven by evaluating all available options for ensuring we have safe, reliable generation and transmission infrastructure in place to continue providing least-cost, reliable electricity to Newfoundlanders and Labradorians. This evaluation includes the possibility that the hydroelectric facility at Muskrat Falls will soon be sanctioned.

Are all of our eggs in one Muskrat Falls basket, as Mr. Wangersky suggests? No. But as the largest power utility and the primary generator of power in the province, it would be reckless to dismiss the possibility of such a significant energy resource when planning for our province's future electricity demands.

People expect their electricity system to be reliable. They expect that in a year from now, and in 10 and 20 years from now, when they flick the switch they'll have light for their homes and powering their businesses. Hydro is committed to delivering exceptional service

to our customers and taking carefully-planned, prudent actions to make sure that light comes on.

The hard working people at Hydro have done considerable work to ensure we continue to provide Newfoundlanders and Labradorians with safe, reliable power in an affordable and environmentally-sustainable way today and in the future.

Jim Haynes
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Newfoundland and Labrador Hydro

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