

Date : 4/27/2011 5:36:11 PM

From : "Bown, Charles W."

To : "'DSturge@nalcenergy.com"' , "Thompson, Robert"

Cc : "EMartin@nalcenergy.com" , "AuburnWarren@nalcenergy.com"

Subject : RE: Draft Briefing Note

Attachment : image001.jpg;

Derrick;

AS discussed, my questions are below.

1. Will the 50MW turbine addition be included in the 2011 Capital Budget submitted to PUB? IF so, what will be the scope of PUB review?
2. If NLH were to proceed with the wind/small hydro projects (Isolated Island), would each of the individual projects be included in the respective years Capital Budget for PUB approval?
3. How much time is required for a PUB hearing on a capital project?
4. How much time has Emera allocated for the UARB review of the Maritime Link?
5. IN the 2000 OC, it notes that "where approved" the design and construction of facilities would be exempted from PUB review. Do you have any insight into what "where approved" means?
6. The note states that the PPA's for the wind project will be justified to PUB in your upcoming rate application. How is it that NLH concluded contracts for these projects without PUB approval?
7. The independent review will compare both generation scenarios based on a 60 year time frame. Is this period considered too long given the limited discounted value of costs/revenues past 30-40 years?
8. Can you add another column to the Undertaking table that indicates the timeline required to have these undertakings completed?

I would also like to have a better understanding of how the PPA's will be constructed, including

- i. who will be the parties
- ii. who will "approve" the deal
- iii. who "approves" the allocation of cost overruns
- iv. who approves cost/price increases over the life of the projects .

I see this as a non-arms length transaction that will require some form of transparency and oversight either by a regulator or Government. Can the PPA be made public? Is there a role can PUB play in this process?

Charles

From: DSturge@nalcenergy.com [mailto:DSturge@nalcenergy.com]

Sent: Thursday, April 21, 2011 6:01 PM

To: Thompson, Robert

Cc: EMartin@nalcenergy.com; AuburnWarren@nalcenergy.com; Bown, Charles W.

Subject: Draft Briefing Note

Robert, attached is a draft of the Briefing Note for your review. We are available at your convenience.

Derrick



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— Forwarded by Derrick Sturge/NLHydro on 04/21/2011 05:57 PM —

From: Auburn Warren/NLHydro

To: Derrick Sturge/NLHydro@NLHydro

Date: 04/21/2011 05:55 PM

Subject: DG3 Review - Briefing Note draft4 (final).docx

As discussed.

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