

**From:** [Kennedy, Jerome](#)  
**To:** [Kennedy, Jerome](#)  
**Subject:** Fw: Liberal Angles  
**Date:** Friday, November 16, 2012 9:41:49 AM

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

From: Charles Bown  
To: Jerome Kennedy  
Subject: Liberal Angles  
Sent: Nov 15, 2012 8:25 PM

1. Province can't afford equity and overall project debt.
2. The take or pay PPA means that nalcor and lenders are protected. Only the ratepayers are at risk of cost overruns or lower demand.
3. If demand is lower (or costs are higher) than expected then electricity rates will have to increase.
4. The loan guarantee doesn't exist until Emera sanctions the ML.
5. MF power is very expensive. The delivered cost to Soldiers Pond is 20.8 cents and that will be higher if no loan guarantee.
6. The 3rd line from Bay d'Espoir is really part of the ML which NL ratepayers are paying for, not Emera.
7. There's no certainty that power will be available for mining companies. Govt and nalcor are pushing costs on companies and preventing development.
8. There's no certainty of sufficient power from MF because HQ can veto or scuttle the WMA.

Charles