

Circulation: 27412

Order Commande: 148216

Page 1

CIMFP Exhibit P-01998

NATURAL RESOURCES Muskrat Falls dome metal sent to scrapyard

Dalley says the move will cause 'no additional costs to taxpayers'

BY DEREK MONTAGUE TC MEDIA

Material that was supposed to be used for the integrated cover system (ICS) at <u>Muskrat Falls</u> has been sold for recycling, says an Astaldi Canada spokesman.

The ICS, known more commonly as the dome, was never completed as initially planned. The dome was supposed to cover four powerhouse units at the <u>Muskrat Falls</u> site, but only units 1 and 2 got covered.

"The majority of the steel frame of units 3 and 4 of the integrated cover system was taken down over the past several weeks and sold to a local metal recycling company," the Astaldi Canada spokesman stated in an email to The Labradorian. "Astaldi Canada made the decision not to proceed with finishing units 3 and 4 back in December of 2014 and therefore had no other use for the frame. "The decision on the dome was Astaldi's to try to advance production in the building of <u>Muskrat Falls</u>. They built half the dome and then they decided to not build the other half, and pick up in other ways in terms of productivity."

Natural Resources Minister Derrick Dalley

"We are still utilizing the cover system over units 1 and 2 along with the installed overhead cranes. The ICS was always meant to be a temporary structure and we will continue to use the ICS over units 1 and 2 until the time comes to dismantle that section as well."

On Monday, the dome issue was brought up in the House of Assembly during question period. The Liberal member for Bay of Islands, Eddie Joyce, asked the government how much the dome would end up costing Newfoundland and Labrador taxpayers.

"Mr. Speaker, government has admitted that the dome over <u>Muskrat Falls</u> is only half completed, and plans for it to be finished have been scrapped," said Joyce.

"I ask the minister: what is the status of the dome, and how much of taxpayers' money was spent on this structure?"

Natural Resources Minister Derrick Dalley responded by saying any cost associated with the dome will not be put on the backs of taxpayers or hydro ratepayers.

"The decision on the dome was Astaldi's to try to advance production in the building of <u>Muskrat Falls</u>," said Dalley. "They built half the dome and then they decided to not build the other half, and pick up in other ways in terms of productivity.

"So that is their approach, Mr. Speaker, but no additional cost to the project and no additional cost to ratepayers."

The Labradorian requested an interview with Dalley. The request wasn't granted, but a department spokeswoman sent an email to The Labradorian saying the government doesn't make any day-to-day decisions with the <u>Muskrat Falls</u> project.

"The provincial government is not involved with the day-to-day management of the <u>Muskrat Falls</u> project and did not make decisions regarding the integrated cover system," the email said.

"<u>Nalcor</u> is acting as project manager for the project and Astaldi is the contractor doing the work on the powerhouse. Decisions regarding the integrated cover system have been made by the contractor, Astaldi."

The Labradorian



82