

**Date :** 4/23/2014 11:57:45 AM

**From :** "Dalley, Derrick"

**To :** "Bown, Charles W."

**Subject :** Re: VOCM

Unbelievable!!

Department of Natural Resources

Government of Newfoundland and Labrador

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**From:** Bown, Charles W.

**Sent:** Wednesday, April 23, 2014 11:48 AM Newfoundland Standard Time

**To:** Dalley, Derrick

**Subject:** VOCM

Tom Marshall says development related to the Muskrat Falls project will continue until it's determined that it's no longer the least-cost option. At one point the hydro development was cheaper by \$2.5-billion, but an independent engineer's report into the project released last week showed the dam was struggling to stay on budget. Exactly what the cost overruns are is not known; Nalcor has committed to releasing updated cost figures once all of the contracts have been awarded. DG3 data had the province's share of the project pegged at \$6.2-billion, which doesn't include interest.

Premier Marshall says a sanction decision has been made to forge ahead with the development of the dam. But how much is too much? Marshall says when Muskrat Falls is no longer the least-cost option.

Marshall says \$2.5-billion is a big number, but if it comes to that, then that's when government will have to sit back and review its options.