

NLIS 4
Executive Council
Natural Resources
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Responsible Management of the Province's Investment

Government Opens Books on Muskrat Falls Project

Today, the Honourable Dwight Ball, Premier of Newfoundland and Labrador, together with the Honourable Siobhan Coady, Minister of Natural Resources, announced the Provincial Government will undertake an independent review of the cost, schedule and associated risks for the Muskrat Falls Project.

“Given cost overruns, schedule changes and baseline updates on the Muskrat Falls Project, it is prudent for the Provincial Government to review the project's cost and schedule to determine if there are any critical risks moving forward. Ernst & Young will undertake a comprehensive, independent review and identify opportunities for corrective action, if necessary. This type of due diligence is not uncommon in major capital projects and we are moving ahead with the work immediately.”

- The Honourable Dwight Ball, Premier of Newfoundland and Labrador

An overview of the scope and objectives is available at www.gov.nl.ca/MFOversight/. The process will be completed in March 2016. The final report, including Nalcor's response, will be presented to government's Muskrat Falls Oversight Committee, following which it will be released to the public.

“We have a mandate to open the books on the Muskrat Falls Project and starting with the review announced today, that is exactly what we intend to do. This review will confirm the funding and time required to complete the project. We need to ensure any risks from a financial perspective are reflected in our 2016-17 budget and the multi-year fiscal framework. We have advised Nalcor of the planned review, they have committed to full cooperation, and recognize the value of such a review.”

- The Honourable Siobhan Coady, Minister of Natural Resources

Ernst & Young LLP has extensive knowledge and understanding of the project and has recently completed a study of the Muskrat Falls Project's cost and schedule management process and controls available at www.gov.nl.ca/MFOversight/.

QUICK FACTS:

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