

From: Martin, Craig
Sent: Thursday, March 12, 2015 9:11 AM
To: Brown, Milly; Mullaley, Julia
Subject: Re: News release for review: Muskrat Falls Project Remains on Time and on Budget

Milly,

I don't have any comments.

Craig

From: Brown, Milly
Sent: Wednesday, March 11, 2015 05:32 PM Newfoundland Standard Time
To: Mullaley, Julia; Martin, Craig
Subject: Fw: News release for review: Muskrat Falls Project Remains on Time and on Budget

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Quinton, Diana <DianaQuinton@gov.nl.ca>
Sent: Wednesday, March 11, 2015 4:48 PM
To: Brown, Milly
Subject: News release for review: Muskrat Falls Project Remains on Time and on Budget

Natural Resources
March 12, 2015

Providing Oversight of the Province's Investment

Muskrat Falls Project Remains on Time and on Budget

The Honourable Derrick Dalley, Minister of Natural Resources, commented today on the Oversight Committee's report on the Muskrat Falls Project for the quarter ended December 2014.

"Through the oversight committee and other activities, the Provincial Government is tracking the budget and schedule for the Muskrat Falls Project. The project capital budget of \$6.99 billion and the critical path to first power for December 2017 both remain unchanged. As indicated in the last oversight report, scheduling pressures are being experienced, and production improvements will be required at the Muskrat Falls Generating Facility in order to maintain the critical path and milestone schedule. Nalcor and the contractor have implemented actions to deal with the current pressures and the Provincial Government will be monitoring the progress."

- *The Honourable Derrick Dalley, Minister of Natural Resources*

To mitigate the scheduling pressures on the Muskrat Falls Generating Facility, Nalcor is working closely with Astaldi Canada to address their work progress. They have implemented series of measures designed

to improve production and productivity and regain the schedule to ensure there is no impact on the first power milestone date.

The Muskrat Falls Project Oversight Committee's report is available at (provide link) and includes an assessment of project costs, schedule, and risk monitoring and mitigation. In addition, it provides information from Nalcor regarding variances and identified risks in response to the committee's questions.

QUICK FACTS

- The Honourable Derrick Dalley, Minister of Natural Resources, commented today on the Oversight Committee's report on the Muskrat Falls Project for the quarter ended December 2014.
- The project capital budget of \$6.99 billion and the critical path to first power for December 2017 both remain unchanged. Scheduling pressures are being experienced. Production improvements will be required at the Muskrat Falls Generating Facility in order to maintain the critical path and milestone schedule. Mitigation actions are being implemented.
- The report is available at (provide link) and includes an assessment of project costs, schedule, and risk monitoring and mitigation. In addition, it provides information by Nalcor regarding variances and identified risks in response to the committee's questions.
- The Muskrat Falls Oversight Committee was established in March 2014 to formalize and strengthen existing oversight of the Muskrat Falls Project. In making its observations, the committee uses an extensive reporting framework, which includes project reports regularly generated by Nalcor, information specifically requested by the committee, and information required by the Independent Engineer.
- The Muskrat Falls Project will provide reliable electricity for Newfoundlanders and Labradorians at stable prices and contribute to the diversification of the Newfoundland and Labrador economy.

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