

From: jamesmeaney@lowerchurchillproject.ca
Sent: Friday, March 11, 2016 8:42 AM
To: Auburn Warren
Subject: Re: FLG 2

Will do. Ed is supposedly on with premier at noon

Sent from my iPhone

On Mar 11, 2016, at 8:41 AM, Auburn Warren <AuburnWarren@nalcenergy.com> wrote:

No problem... my meeting was pushed out until next week

Call me on my main line 729-2039 when you wish

Auburn

<0.302.jpeg>	<p>Auburn Warren, CPA, CA</p> <p>General Manager (Commercial, Treasury, Risk & Technology)</p> <p>Nalcor Energy</p> <p>t. 709-737-1256 c. 709-725-1141</p> <p>e. AuburnWarren@nalcenergy.com</p> <p>w. nalcenergy.com</p>
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James Meaney---03/11/2016 08:09:36 AM---From: James Meaney/NLHydro To: Auburn Warren/NLHydro@nlhydro

From: James Meaney/NLHydro
To: Auburn Warren/NLHydro@nlhydro
Date: 03/11/2016 08:09 AM
Subject: Fwd: FLG 2

Meant to cc: you on this as well....I will call you around 9am

Sent from my iPhone

Begin forwarded message:

From: "James Meaney" <JamesMeaney@lowerchurchillproject.ca>

Date: March 10, 2016 at 11:38:56 PM NST

To: "Paul Harrington" <PHarrington@lowerchurchillproject.ca>

Cc: "Ed Martin" <EMartin@nalcoreenergy.com>, "Gilbert Bennett" <GBennett@nalcoreenergy.com>, "Lance Clarke" <LanceClarke@lowerchurchillproject.ca>, "Brian Crawley" <BrianCrawley@lowerchurchillproject.ca>, "Derrick Sturge" <DSturge@nalcoreenergy.com>

Subject: Re: FLG 2

My concern stems from the following:

1. We have kept Canada/IE well informed on the Astaldi situation, which is a unique one, and the potential risks in DC line. While some of EY/OC comments in these areas could be an issue from a commercial sensitivity perspective with our contractors, I don't think Canada would have issue with statements that current 7.65 and schedule (and related 2015 COREA payment) does not account for these impacts. We already got them over that bridge.

2. What could be problematic for them is comments that cut at the integrity of our forecasting and reporting process. I see the recently added section 1.7 on page 2 of EY report as just one example of that.

3. As part of FLG 2 we are asking them to increase the guaranteed debt and do away with the COREA, one of their most critical terms. The somewhat unforeseen impact of items noted in #1 above, particularly Astaldi, could be used to support that assistance. The perception painted by items noted in #2 above could leave people NRCan needs the support of with the impression we have been under reporting the forecast to keep the COREA down. You may recall it was clear early on that EY had that view. I don't see that as being very helpful for the FLG 2 effort.

Regards

Jim

Sent from my iPhone

On Mar 10, 2016, at 9:53 PM, Paul Harrington <PHarrington@lowerchurchillproject.ca> wrote:

Ed and Gilbert

As you are well aware , The potential FLG2 has a huge benefit to the people of the Province that we simply have to do everything to protect. Having reports coming out that serve no real purpose than to undermine that benefit should be scrutinized to ensure that the cathartic element of releasing such a report does not damage the image of the project, the province and the possibility of the FLG2 which has such clear advantage and benefits to the people of the province.

We have tried with maximum effort to achieve a balance to the EY and OC reports but still they have a tone and timbre that seems to be driven by an ulterior motive and an agenda that is counterproductive to an FLG2.

There has to be some way we can convey that the overriding imperative is to provide benefit to the people of the province and not just the commercial advancement and interests of an international company such as EY, whose primary interests are those of its shareholders and locally of its turnover numbers.

Regards Paul

Sent from my iPad

Begin forwarded message:

From: "James Meaney" <JamesMeaney@lowerchurchillproject.ca>

Date: March 10, 2016 at 9:37:35 PM NST

To: "Paul Harrington" <PHarrington@lowerchurchillproject.ca>, "Lance Clarke" <LanceClarke@lowerchurchillproject.ca>, "Brian Crawley" <BrianCrawley@lowerchurchillproject.ca>

Subject: FLG 2

I have had some more communications on this matter today.....it seems to have some real support within NRCan and the advisor team. We need to make sure EY/OC don't blow that up next week with their reports. I could see some of the comments in the most recent EY draft being potentially problematic for the cause. Let's discuss further in the AM.

Sent from my iPhone