



Government of Newfoundland and Labrador
Department of Natural Resources
Office of the Minister

MAY 1 6 2018

Mr. Brendan Paddick, Chair Board of Directors Nalcor Energy 500 Columbus Drive P.O. Box 12800 St. John's, NL A1B 0C9

Dear Mr. Paddick:

RE: Allegations against Nalcor Energy and its Employees

In correspondence to the Honourable Dwight Ball, Premier of Newfoundland and Labrador, as attached and as well as in direct meetings with this Department, concerned citizens have made serious allegations concerning Nalcor Energy ("Nalcor") including its operations, activities, and the conduct of company officials and contractors. In view of these complaints and on the advice we have received from the Department of Justice and Public Safety, I am writing to request that the Internal Auditors at Nalcor, on behalf of the Board, conduct an investigation into the allegations and provide this office with those findings.

The alleged incidents include harassment, safety concerns, misappropriation of funds, theft, overcharging and personal trips paid by Nalcor. Nalcor management personnel are also alleged to have been involved in some of these activities.

I request that a report be provided to me within 60 days. This report should detail the investigation, findings, and actions Nalcor has taken to address its findings, including whether the actions are employment-related or mandate referral to the Royal Newfoundland Constabulary or the Royal Canadian Mounted Police, as appropriate. I also recommend that Nalcor disclose all relevant information relating to costs of the Muskrat Falls Project to the Commission of Inquiry Respecting the Muskrat Falls Project Order as led by Commissioner Justice Richard D. LeBlanc. Further, please be advised that if the actions taken by Nalcor to address its findings are deemed to be insufficient, Government may be required to refer the matter for further investigation to the appropriate investigative authority.

Page | 2



Thank you for your attention to this serious and urgent matter.

Sincerely,

SIOBHAN COADY, MHA

St. John's West Minister

c. The Honourable Dwight Ball, Premier Mr. Stan Marshall, CEO, Nalcor Energy