



HOUSE OF ASSEMBLY
PROVINCE OF NEWFOUNDLAND AND LABRADOR

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OFFICE OF THE LEADER
NEW DEMOCRATIC PARTY

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ST. JOHN'S, NL

February 20, 2012

Board of Commissioners of the Public Utilities
Suite E210, Prince Charles Building
120 Torbay Road, St. John's
P.O. Box 21040
St. John's, NL
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Dear Commissioners,

I am writing this letter to state why the NDP will not be making a presentation to your Commission during the current round of hearings on the proposed Muskrat Falls hydroelectric project.

I appreciate and respect the work the Commission is doing, but because of the limitations of the scope of the hearings imposed by government, I believe a presentation in front of the commission would not allow us to outline our many concerns.

New Democrats remain committed to developing Lower Churchill power — and indeed any power project from any source — so long as it is economically viable, environmentally sustainable, and good for the people of the province.

We are not yet convinced that the plan to develop Muskrat Falls power as currently proposed by Nalcor meets these criteria.

New Democrats want to see independent and thorough investigations of all alternative energy sources with informed analysis of the viability of developing wind, natural gas, and other energy sources in this province.

We want answers to the many questions around the role that conservation, feed-in tariffs, and demand side management could have on future power consumption. It is unfortunate that the Commission will not have time, and has not been given the mandate, to fully investigate these issues.

The presentations to the Commission, and the line of questioning from the Commissioners, the Consumer Advocate and Commission counsel, as well as those presentations which have been made to

date by concerned parties, raise many serious questions which have the cumulative effect of casting serious doubt on the variability of the project as proposed by Nalcor.

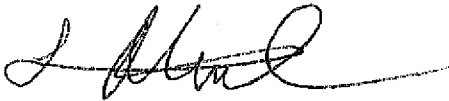
Fundamentally, the Commission has been asked by government to make a decision based on inadequate and incomplete information. Government will then use the PUB report to justify its decision whether or not to sanction the project.

The Muskrat Falls Project will cost taxpayers of this province more than any other project in our history. A project of this size should not be allowed to proceed without enough consultation to answer the questions that are being raised on a daily basis. We need to know with as much certainty as possible whether a measured incremental approach to meeting the province's power needs will not prove, in the long run, the more responsible and least-cost option to the ratepayers of this province.

The Government seems determined to push this deal through without full consideration. There is mounting evidence that more truly in-depth analysis is required.

This project is so immense, so costly that it is vital, in the interest of the people of this province, that it is the very best deal it can be.

Very sincerely,



Lorraine Michael, MHA
Signal Hill-Quidi Vidi
Leader, New Democrats

cc. Jerome Kennedy, Minister, Natural Resources
Tom Johnson, Consumer Advocate
Ed Martin, President and CEO, Nalcor