



## **Nalcor Energy releases independent engineer's report on Muskrat Falls Project**

*April 15, 2014, St. John's, NL* – Today Nalcor Energy publicly released the independent engineer's report on the Muskrat Falls generation station, the Labrador Transmission Assets and the Labrador-Island Link (Muskrat Falls Project), prepared by MWH Canada Inc. (MWH) for the Government of Canada in November 2013.

MWH was engaged as the independent engineer for the Government of Canada in its due diligence of the Muskrat Falls Project and will provide ongoing oversight as part of the federal loan guarantee and financing arrangements.

"The independent engineer completed a comprehensive review and has validated the work completed to date on the Muskrat Falls Project," said Ed Martin, President and CEO of Nalcor Energy. "The engagement of an independent engineer is standard practice for lenders when financing projects of this nature and was also an expected requirement for the provision of a federal loan guarantee."

MWH conducted analyses and in-depth interviews relating to various components of the project to inform its report to the federal government. This included an assessment of the project management approach and organization, engineering, development of cost estimate and schedule for the project, financial modeling, procurement and contracting. MWH will continue to be retained throughout the construction, commissioning and operations phases of the Muskrat Falls Project to advise the Government of Canada.

"Independent reviews of this nature are valuable for our ongoing management of the Muskrat Falls Project," said Martin. "MWH is supportive of the work completed to date and also made several recommendations, which we are addressing."

Analysis and review by the independent engineer for the Government of Canada supported the successful completion of the federal loan guarantee and financing for the Muskrat Falls Project in December 2013. The loan guarantee will result in projected savings of over \$1 billion in interest costs for ratepayers and contribute to stable electricity rates for consumers in the province.

“We are committed to sharing information about the project with the people of Newfoundland and Labrador and want to ensure that residents can access and assess information about the project when it becomes available, including the comprehensive independent engineer report,” added Martin. “The independent engineer is an important aspect of ongoing project oversight and reporting.”

The report prepared by MWH for the Government of Canada is available online at [www.musktratfalls.nalcorenergy.com/newsroom/reports](http://www.musktratfalls.nalcorenergy.com/newsroom/reports).

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p.709-737-1427 c. 709-690-2012