

Ronald Penney



Canada

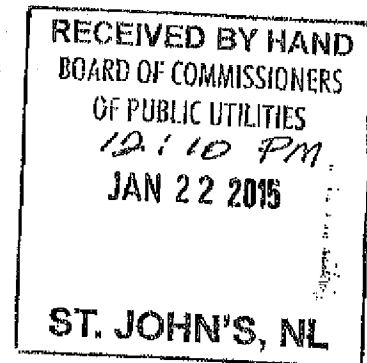
David Vardy



Canada

January 21, 2015

Ms. Cheryl Blundon
Director of Corporate Services and Secretary to the Board
Board of Commissioners of Public Utilities
120 Torbay Road
P.O. Box 21040
St. John's, NL
A1A 5B2



Dear Ms. Blundon:

We are enclosing a copy of the PowerPoint presentation made at a public forum in St. John's by Dr. Steig Bernander dealing with the North Spur on November 12, 2014. We will also send you an electronic version.

Dr. Bernander is a recognized expert on quick clay and has expressed deep concern about the stability of the North Spur and the measures proposed to be taken by Nalcor to stabilize the North Spur so it can serve as part of the dam for the Muskrat Falls project.

We have brought the presentation to the attention of the Clerk of the Executive Council, in her capacity as Chair of the Muskrat Falls Oversight Committee, and the Deputy Minister of Environment and Conservation, whose Department has issued the dam permit, urging them to have the concerns set out in Dr. Bernander's presentation independently assessed.

While we have not received a response to our letter we do note that the most recent report of the Oversight Committee refers to various studies on the North Spur. On December 30, 2014, we asked the Deputy Minister to make those reports public but have received no response.

Dr. Bernander has raised serious concerns which have not received an adequate response.

While the potential failure of the North Spur poses significant risks for the project and for downstream flooding of Mud Lake and Happy Valley Goose Bay, with only two hours' notice, it also raises an additional and major concern about reliability post-Muskrat Falls, which is the subject of the next phase of the Board's reliability review and hearing.

We ask that the Board instruct its consultants to undertake an independent review of the North Spur and to obtain and enter into evidence copies of the studies which the Oversight Committee refers to in its report for the period ended September 30, 2014.

We have recently come into possession of two letters from one of the scientists referred to in the Oversight Committee report, Serge Lerouil. One is in French and we attach an unofficial translation of that. We note that Dr. Leroueil states that his "knowledge on the dynamic behavior of soils and its analysis is rather limited." He also notes that he had seen only the main report and not the appendices.

We also request that Dr. Bernander's presentation itself be taken into evidence for the Board's hearing.

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