

November 4, 2019



Re: Your request for access to information under Part II of the *Access to Information and Protection of Privacy Act* (File # NR-211-2019)

On October 8, 2019, the Department of Natural Resources received your request for access to the following records/information:

Any briefings or reports prepared by the department of natural resources or prepared by NALCOR and provided to the department of natural resources in relation to General Electric and/or problems with the software involved in the Labrador power transmission line

On October 9, 2019 you provided a date range for the above noted request as being "in the past 90 days" therefore we limited our search criteria to records created or received between July 9, 2019 and October 8, 2019.

On October 16, 2019 you indicated that you were not looking for copies of any previously released information or records that are publically available, such as the Liberty Consulting Group report, the Synapse Energy Economics report, any presentations made to the Public Utilities Board in relation to rate mitigation/management or similar type records.

The Department of Natural Resources have reviewed this request and conducted a search and confirmed that there are two briefing notes which contain a section relating to GE and software problems. The responsive records are attached.

Please be advised that you may ask the Information and Privacy Commissioner to review the processing of your access request, as set out in section 42 of the *Access to Information and Protection of Privacy Act* (the *Act*). A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner.

The address and contact information of the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy
Commissioner
2 Canada Drive
P. O. Box 13004, Stn. A
St. John's, NL. A1B 3V8

Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

You may also appeal directly to the Supreme Court Trial Division within 15 business days after you receive the decision of the public body, pursuant to section 52 of the *Act*.

Please be advised that this letter will be published following a 72 hour period after it is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the letter posted to the Office of Public Engagement's website within one business day following the applicable period of time.

If you have any questions, please feel free to contact me at 709-729-0463 or rhynes@gov.nl.ca.

Sincerely,



Rod Hynes
ATIPP Coordinator

Information Note
Department of Natural Resources

Title: Muskrat Falls Update for April, 2019

Issue: To provide an update on the progress of the Muskrat Falls Project (MFP) for the Energy and Mines Ministers Conference (EMMC) 2019.

Background and Current Status:

- The Nalcor subsidiary responsible for managing the construction of the MFP (the Lower Churchill Management Corporation or LCMC) produces a monthly report providing construction updates as well as reports on safety/environment and employment, benefits and community engagement. The April 2019 report was released on June 21, 2019. As of the end of April:
 - Overall construction of the MFP reached 98% completion;
 - The Muskrat Falls generation project reached 95% completion;
 - Both the Labrador-Island Transmission Link and the transmission line connecting Churchill Falls to Muskrat Falls remained at over 99% complete.

Construction Update

- Activities undertaken in April 2019 include the continuation of the civil works on the intake and powerhouse by Pennecon Heavy Civil Ltd.
- Construction of Labrador Transmission Assets (LTA) is complete. Activities on the LTA continued during the month including punch list items in both the Churchill Falls and Muskrat Falls switchyards.
- Construction of the Labrador-Island Transmission Link (LIL) from Muskrat Falls (MF) to Soldiers Pond is complete. Activities for the LIL during the month included continuation of HVdc Protection and Controls System software development and commissioning activities.
- The current capital cost estimate remains at \$10.1 billion with a total cost including financing of \$12.7 billion. Project investments up to the end of April include \$4.814 billion for generation, \$856 million for the Labrador Transmission Assets and \$3.516 billion for the Labrador – Island Transmission Link.
- NL businesses secured 55 per cent (\$40 million) of the total \$72 million project expenditures in April 2019. From January 2013 to the end of the reporting period in April 2019, over \$2.96 billion has been spent directly with NL-based companies.

Safety and Environment

- On April 22, the project celebrated a milestone of 15 million person hours without a lost-time incident at the MF site. There were no lost-time injuries during April (16 on the project to date) and no medical aid incidents (114 on the project to date).
- Nalcor made nearly 500 environmental commitments during the environmental assessment process for the project. As of April 2019, over 300 commitments have been completed and many of the remaining commitments are operational that have been or will be turned over to Nalcor to ensure completion during the operations phase.

Employment, Benefits and Community Engagement

- In April, over 315,000 hours were worked by 1,984 individuals on the projects including over 285,000 hours of work in Labrador.

- During the month of April, 1,836 residents of NL were employed on the projects representing 93 per cent of the total persons employed.
- In April, there were 1,758 people working in Labrador – 469 were Labrador residents (approximately 27 per cent). Of these, 195 self-identified as a member of a Labrador Aboriginal group (approximately 42 per cent).
- In April 248 women were working on all project components (approximately 13 per cent of the total workforce). Of these, 232 were NL residents.
- In the first quarter of 2019, there were 40 students working on the project and 232 apprentices including 30 females.
- The Lower Churchill Project (LCP) established multiple venues for members of the public to ask questions seek employment information and get details about the Muskrat Falls development. These venues include websites to apply for jobs and get information on project construction activities, toll-free numbers, email and a project office in Happy Valley-Goose Bay.

Analysis:

- Liberty Consulting Group highlighted software problems with the Labrador Island Link in its Transition to Operations Sixth Quarterly Monitoring Report released on May 22, 2019. The report expressed low confidence that GE would deliver Protection and Control bipole software required by August 31, 2019. Substantial risk was noted that commissioning would slip and possibly affect winter reliability.
- The Muskrat Falls Project Oversight Committee released its quarterly project update report on June 27, 2019. That report noted that on June 25, 2019, the Oversight Committee was advised that further delays in the delivery of the Protection and Control bipole software are anticipated.
- First power from Muskrat Falls generation is scheduled to be online by late 2019. Commissioning of MF generation, LTA and LIL is scheduled for September 2020.

Action Being Taken:

- Note is provided for information purposes. No action is required.

Prepared/Approved by: Y. Khan/R. Bates/K. Bradbury/ C. Snook

Ministerial Approval:

July 5, 2019

**New England Governors/Eastern Canadian Premiers (NEG/CP) Briefing Book
Background Note – Muskrat Falls Project Update
Department of Natural Resources**

Title: Muskrat Falls Project Update for May 2019

Issue: To provide an update on the Muskrat Falls Project (MFP) for the NEG/ECP Conference in Saint John, NB Sept 8-10, 2019.

Background and Status:

- The Nalcor subsidiary responsible for managing the construction of the MFP (the Lower Churchill Management Corporation or LCMC) produces a monthly report providing construction updates as well as reports on safety/environment and employment, benefits and community engagement. The May 2019 report was released on July 23, 2019. As of the end of May:
 - Overall construction of the MFP is 98% complete;
 - The Muskrat Falls generation project is 95% complete;
 - Both the Labrador-Island Transmission Link and the transmission line connecting Churchill Falls to Muskrat Falls remained at over 99% complete.

Construction Update

- Activities undertaken in May 2019 include the continuation of the civil works on the intake and powerhouse by Pennecon Heavy Civil Ltd.
- All the concrete required for the Powerhouse has now been poured.
- Construction of Labrador Transmission Assets (LTA) is complete. Activities on the LTA continued during the month including work on punch list items in both the Churchill Falls and Muskrat Falls switchyards.
- Construction of the Labrador-Island Transmission Link (LIL) from Muskrat Falls (MF) to Soldiers Pond is complete. Activities for the LIL during the month included continuation of HVdc Protection and Controls System software development and static and dynamic commissioning activities.
- The current capital cost estimate remains at \$10.1 billion with a total cost including financing of \$12.7 billion. Project investments up to the end of May include \$4,851 million for generation, \$863 million for the Labrador Transmission Assets and \$3,525 million for the Labrador – Island Transmission Link.
- Newfoundland and Labrador businesses secured \$34 million of the total \$86 million project expenditures in May 2019. From January 2013 to the end of the reporting period in May 2019, over \$3.0 billion has been spent directly with Newfoundland and Labrador-based companies.

Safety and Environment

- There were no lost-time injuries during May (16 on the project to date) and no medical aid incidents (114 on the project to date).
- Nalcor continues to report a high standard of environmental responsibility.

Employment, Benefits and Community Engagement

- In May, over 290,000 hours were worked by 1,996 individuals on the projects including over 240,000 hours of work in Labrador.
- During the month of May, 1,836 residents of this Province were employed on the projects representing 93 per cent of the total persons employed.
- In May, there were 1,611 people working in Labrador – 495 were Labrador residents (approximately 30 per cent). Of these, 173 self-identified as a member of a Labrador Aboriginal group (approximately 35 per cent).
- In May 2019, there were 308 women working on all project components (approximately 13 per cent of the total workforce). Of these, 290 were residents of this Province.
- In the first quarter of 2019, there were 40 students working on the project and 232 apprentices including 30 females.
- The Lower Churchill Project (LCP) established multiple venues for members of the public to ask questions, seek employment information, and get details about the Muskrat Falls development. These venues include websites to apply for jobs and get information on project construction activities, toll-free numbers, email and a project office in Happy Valley-Goose Bay.

Analysis:

- Liberty Consulting Group highlighted software problems with the Labrador Island Link in its Transition to Operations Sixth Quarterly Monitoring Report released on May 22, 2019. The report expressed low confidence that GE would deliver Protection and Control bipole software required by August 31, 2019. Substantial risk was noted that commissioning would slip and possibly affect winter reliability.
- The Muskrat Falls Project Oversight Committee released its quarterly project update report on June 27, 2019. The report noted that on June 25, 2019, the Oversight Committee was advised that further delays in the delivery of the Protection and Control bipole software are anticipated.
- First power from Muskrat Falls' generation is scheduled to be online by late 2019. Commissioning of Muskrat Falls' generation, LTA and LIL is scheduled for September, 2020.
- Impoundment of the Muskrat Falls reservoir commenced on August 7, 2019 and is expected to be complete by the end of September, 2019, when complete water levels will reach 39 m. During this period of impoundment and once the reservoir reaches its full supply level, Nalcor will continue to provide weekly updates on progress as well as on dam safety monitoring. Currently Nalcor is reporting all readings from monitoring equipment are as expected.

Prepared/Approved by: Y. Khan/R. Bates/K. Bradbury/C. Snook
Ministerial Approval:

August 22, 2019

