

## MINUTES

### Muskkrat Falls Project Oversight Committee

#### MEETING NO. 4 – July 24, 2014

#### Committee Member:

##### Present:

Ms. Julia Mullaley, Clerk (Chair)  
Mr. Charles Bown, DM, Natural Resources  
Ms. Donna Brewer, DM, Finance  
Mr. Paul Noble, DM, Justice  
Ms. Tracy English, Associate DM, Natural Resources  
Ms. Tracy King, Assistant Secretary to Cabinet (for Agenda item #2 only)  
Mr. Peter Au, ADM Finance  
Mr. Paul Morris, ADM, Natural Resources  
Mr. Paul Myrden, Director, Finance

##### Regrets:

None

#### Committee Support:

Mr. Craig Martin, Executive Director, Cabinet Secretariat  
Mr. Randy Pelletier, Solicitor, Justice  
Mr. Cory Grandy, ADM, Transportation and Works

Time: 2:00 p.m.

Place: Department of Justice Boardroom

#### **1. Minutes July 10, 2014 MF Oversight Meeting**

Committee reviewed the Minutes from the July 10, 2014 meeting. Edits were noted and the Committee approved the Minutes with the noted edits.

#### **2. Site Visit Update**

Members of the Working Group provided updates on the site visits and workshops they attended, in conjunction with E&Y and the Independent Engineer (MWH) the period July 14 to the 23, 2014.

#### **3. Review Committee Report**

The Committee reviewed the draft of the July report. Several edits were noted. The Committee recommended the Report with the noted edits be submitted to Cabinet for consideration.

#### 4. Action Items for Next Meeting

Committee Members discussed the next steps to be taken:

- a) Seek Cabinet approval of the following:
  - i. Terms of Reference for the Committee;
  - ii. the Shareholder Letter; and
  - iii. the Committee report for July 2014.
- b) Follow up on the preparation of the combined annual financial statements by Nalcor's External Auditors for the Project.
- c) Follow up with Nalcor's Internal Audit Division to prioritize areas for review, including a review of the Project controls and procedures for risk management.
- d) Identify the Oversight activities to be undertaken to ensure the:
  - i. management processes and controls are well-designed and followed,
  - ii. contracts are being managed diligently;
  - iii. financial drawdowns comply with established processes;
  - iv. project risks are being sufficiently identified and addressed; and
  - v. established contingency is adequate to address outstanding Project risks.
- e) Prepare the analysis of the information as received pursuant to the Shareholder letter and begin reporting:
  - i. schedule performance and forecast compared to the plan;
  - ii. cost performance and forecast compared with the budget;
  - iii. cost and schedule forecasts compared with current performance; and
  - iv. cash flow forecasts and the project's funding requirements.

#### 5. Adjournment

Meeting was adjourned at approximately 4:15pm.



**Craig Martin, CMA**  
Executive Director,  
Muskrat Falls Project Oversight Committee