

Backgrounder - Expert input into Churchill Falls negotiations.

January 6, 2025

Newfoundland and Labrador Hydro and the Government of Newfoundland and Labrador sought extensive expert inputs over the past several years in working toward the MOU signed on Dec. 12, 2024, and will continue to do so while working toward definitive agreements.

Learning from the lessons of the past, a number of independent experts have been engaged throughout this process.

- Government assembled the [Churchill River Expert Advisory Team](#), and they were given the mandate of undertaking a detailed analysis of the hydroelectric opportunities that exist on the Churchill River. This valuable analysis and advice was used to move forward in the negotiations.
- As recommended by the Muskrat Falls Commission of Inquiry, government appointed the [Churchill River Management Expert Panel](#) to recommend potential approaches for the government to ensure maximum long-term benefits from the Churchill Falls assets.
- We created a [negotiating team](#) with an independent chair, hydro officials and government representation.
- We also bolstered Newfoundland and Labrador Hydro's [Board of Directors](#) which was also recommended by the Muskrat Falls Commission of Inquiry. This serves as another check on NL Hydro and the negotiating team.
- We will continue to engage outside experts as we move forward in this transformative process and institute an independent expert panel that will provide advice to the cabinet on negotiations.
- Finally, government brought the MOU to the House of Assembly for an extraordinary session, and definitive agreements will also be brought back to the legislature.

Throughout the process, the negotiating team engaged experts to supplement its internal team across a range of functions related to finance, legal, and energy markets. This team will continue to be engaged and includes:

- J.P. Morgan (New York) - provided financial advice in connection with the Churchill River hydroelectric assets. J.P. Morgan is a leading financial services firm based in the US, with operations worldwide. A global leader in investment banking, they provide financial services and analysis for consumers and small businesses, commercial banking, financial transaction processing and asset management.
- Power Associates (Toronto and Boston) – provided electricity market and valuation advice in connection with the Churchill River hydroelectric assets. Power Advisory is an energy management consulting firm specializing in analytical support and advisory on electricity markets in Canada and the U.S., including market assessments, price forecasts, contract negotiations, procurement of electricity resources, development of

electricity resources, wholesale market design, power system planning, business strategy, and regulatory and litigation support.

- Stikeman Elliot (Montreal) – provided legal advice in connection with the Churchill River assets. Stikeman Elliot is a global leader in Canadian business law. The firm has extensive expertise in the energy sector, the Quebec electricity market and Quebec public environment.
- McInnes Cooper (St. John's) – provided legal advice in connection with the Churchill River assets. An Atlantic Canadian law firm, McInnes Cooper has extensive knowledge of NL legislation, regulatory matters and years of experience with the public sector.

The Government of Newfoundland and Labrador's internal processes were supplemented by external legal counsel.

- Stewart McKelvey (St. John's) – Stewart McKelvey was engaged as an independent advisor to government, separate from the negotiating team. As Atlantic Canada's largest law firm, Stewart McKelvey has a wealth of experience in the energy space as well as decades of experience in major corporate transactions, energy projects, and public utilities.