



April 23, 2010

Bruce Valpy  
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Dear Mr. Valpy:

**Re: Power dam crisis just got worse**

What crisis? I know you need to sell newspapers, but please. The tone of this headline is nothing short of alarmist.

The situation at Bluefish hasn't changed since last fall. So how did Yellowknife wake up this morning with a crisis?

We're continuously monitoring the dam's condition and, as stated in the article, this winter's low snow pack means "it's looking pretty good". How does that translate into a crisis?

Yes, the ice road season in the North and South Slave was shorter than usual. A shorter season meant that we were unable to haul everything to site and begin construction this year. When it was clear that construction wouldn't begin until 2011 we contacted all regulatory authorities and advised them of the circumstances. We also posted an update on our website in March. The point is that we have and will continue to communicate with anyone who has an interest.

You compared our ice road situation to that of the diamond mines which had more luck with the roads north of Yellowknife. At best, this comparison is ridiculous. The only two things that ice roads across the NWT have in common are that they're made of ice and that weight limits are set and enforced by the Department of Transportation. Are you suggesting we should break the law by hauling overweight loads?

Another headline stated: "Bluefish delay may mean higher power rates."

The Bluefish dam replacement project will only reach customer rates when the dam is commissioned. The cost of the project is, simply stated, the cost of the project. It doesn't change because of a delay in the construction schedule. How does that translate into higher power rates?

Yes, there's a significant cost IF the dam fails before it's replaced or IF we don't complete the replacement dam before it fails or IF we need to provide Yellowknife with diesel generation, and IF...

There are a lot of "IFs" supporting your headlines. IF you weigh in with all the facts I guess the headline just wouldn't sell as many newspapers: Bluefish construction delayed, but nothing else has changed. I guess you're right. The facts aren't nearly as dramatic.

Mike Bradshaw  
Director, Corporate Communications  
NT Hydro Group of Companies