

1 **MPA has significant experience working for provincial entities on electricity issues:**

2 Since 2004, MPA (under its current name, and under our company's predecessor, Energy
3 Fundamentals Group), has completed numerous electricity-related assignments for provincially-
4 owned entities in British Columbia, Alberta, Saskatchewan, Ontario and Nova Scotia. Selected
5 examples include the following:

6 Independent Advisor to the Nova Scotia Utilities Review Board on the Maritime Link Project

- 7 • MPA was asked to complete a commercial evaluation of the proposed Maritime Link
8 Project, a transmission line connecting the electricity systems of Newfoundland and
9 Labrador, and Nova Scotia, designed to take advantage of the hydroelectric energy that
10 will be produced at the new Muskrat Falls electricity generation plant.
- 11 • Given the economic relationships between the Maritime Link project and the Muskrat
12 Falls hydroelectric facility, MPA was required to review and analyze the economics of
13 the entire project, including both the hydroelectric facility, the transmission line, and
14 the relationship of these proposed new facilities with the export markets in the United
15 States that will be the target for much of the energy produced in Labrador.
- 16 • The Muskrat Falls hydroelectric facility, now under construction, will be an 824 MW run
17 of river facility, not dissimilar in concept to the proposed Keeyask and Conawapa
18 facilities in Manitoba. The new transmission facilities associated with the Muskrat Falls
19 project include a mix of AC and HVDC assets designed to efficiently transport electricity
20 from the Muskrat Falls facility in Labrador, to the island of Newfoundland, to Nova
21 Scotia, and hence to markets in the United States. Again, these arrangements are not
22 dissimilar to the proposed Bipole III and new interconnections with the United States
23 being envisaged in Manitoba.
- 24 • Economic arrangements in Newfoundland and Nova Scotia were different from those
25 proposed in Manitoba, given the varying relationships between ratepayer and taxpayer
26 obligations in those jurisdictions vs. Manitoba. However, in certain ways, the proposed
27 relationships between Newfoundland and Nova Scotia were similar to the relationships

1 proposed between Manitoba and Minnesota, both in terms of the investments being
2 made in transmission, and the inclusion of private sector for-profit utilities along with a
3 publicly-owned utility.

- 4 • Pelino Colaiacovo, Brent Walker and Ben Kinder were on the MPA team for this
5 assignment.

6 Confidential Assignment: Commercial Evaluation of a Proposed International Transmission Line

- 7 • MPA was retained to review the commercial viability of a proposed new international
8 transmission line between Canada and the United States. The intention of the provincial
9 entity was to use the proposed new line to export surplus renewable energy and other
10 ancillary services.
- 11 • The assignment entailed consideration of the expected economic value of the new line,
12 the likelihood of securing commercial partners for the venture, and design of proposed
13 commercial partnership arrangements.
- 14 • Pelino Colaiacovo and Brent Walker were on the MPA team for this assignment.

15 Advisor to the Alberta Market Services Administrator on Capital Markets and Commercial
16 Perspectives on Potential Investments in the Alberta Electricity Market

- 17 • MPA was asked to test the views of potential equity and debt providers, as well as
18 existing and potential owner/operator/developers of electricity assets in the Alberta
19 market with respect to the attractiveness of the investment climate in the medium
20 term.
- 21 • This project required an understanding of the commercial drivers behind investment of
22 all possible electricity generation technologies available in Alberta (including gas, coal
23 and biomass-fired, wind power, solar power, and hydroelectric; given existing
24 government policies, nuclear was not considered). Our report provided analysis with
25 respect to the range of potential outcomes applicable to conditions in Alberta.
- 26 • Pelino Colaiacovo and Brent Walker were on the MPA team for this assignment.

Confidential Assignment: Commercial Evaluation of the Potential for a New Nuclear Facility

- MPA was retained to analyze the commercial viability of a new nuclear facility in a province, including the potential for private sector partners, given the domestic demand for electricity and the potential for export opportunities. The impact on ratepayers, the requirements for debt guarantees and potential financial risks for government, and the potential for risk-sharing with the private sector were all critical components of the evaluation.
- Pelino Colaiacovo and Brent Walker were on the MPA team for this assignment.

MPA has deep experience in financial and commercial evaluation of energy and utility assets:

Over the past nine years, MPA has completed more than 50 financial valuations of companies in the electricity generation, transmission and distribution businesses, as well as natural gas distribution, storage and mid-stream businesses. Our work on mergers and acquisitions and capital-raising routinely requires us to present commercial evaluations to Boards of Directors and Special Committees of public companies, and shareholders of private companies. In addition, we have performed numerous advisory assignments where we analyze the strategic options available to asset owners, based on detailed valuation of the assets in question.

Past assignments have included hydro-electric facilities, wind power facilities, solar photovoltaic facilities, nuclear facilities, natural gas and coal-fired facilities, electricity transmission and distribution systems, natural gas distribution systems, natural gas storage and mid-stream processing assets, district energy and energy services businesses. Owners and/or buyers of these assets, and clients of MPA, have included public companies, private companies, provincial entities, and municipalities. Selected, publicly disclosed clients have included:

- Province of Ontario (Bruce Nuclear refurbishment contract)
- City of Toronto (sale of interest in Enwave, a district energy company)
- Oshawa Public Utilities Corporation (City of Oshawa) (strategic review)

- 1 • Enwin Utilities (City of Windsor) (strategic review and financing advice)
- 2 • Altagas Utilities (fairness opinion on sale to Altagas Income Trust)
- 3 • Superior Plus, a division of Superior Energy (negotiation of energy supply agreements)

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5 **MPA staff have relevant prior experience**

6 Prior to joining MPA, Pelino Colaiacovo was Chief of Staff to the Ontario Minister of Energy.

7 During his tenure, and with his direct involvement, the Ministry of Energy:

- 8 • created and set the terms for the Ontario Power Authority to manage future resource
9 planning for Ontario,
- 10 • reviewed the case for and approved the refurbishment of the 515 MW Pickering A 1
11 nuclear unit,
- 12 • negotiated a multi-billion dollar commercial contract, including risk sharing with the
13 private sector, for the refurbishment of the 3000 MW Bruce A nuclear station,
- 14 • reviewed the case for and approved the construction of a new tunnel expanding the
15 effective capacity the Beck hydroelectric facility by more than 100 MW,
- 16 • conducted two RFPs for new electricity capacity, including one which resulted in over
17 2500 MW of natural gas-fired electricity generation facilities, and a second which
18 resulted in 300 MW of wind and hydroelectric electricity generation facilities.

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20 Prior to joining MPA, Brent Walker was a Managing Director at Scotia Capital, and the lead
21 investment banker for Mergers and Acquisitions in the energy and utilities group. Particularly
22 notable transactions included:

- 23 • The \$1.4 billion acquisition of Aquila Networks Canada (natural gas distribution) by
24 Fortis Inc.

- 1 • Sale of the Williams Companies Canadian natural gas infrastructure assets to Fort
2 Chicago Energy Partners
- 3 • Sale of the Mamquam and Queen Charlotte hydroelectric facilities in British Columbia to
4 TransCanada Power
- 5 • Sale by the Province of Nova Scotia of interest in Nova Scotia Resources Limited (natural
6 gas assets)

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8 Prior to joining MPA, Benjamin Kinder was an analyst at Scotia Capital. In that capacity one of
9 his main responsibilities was the preparation and evaluation of financial models related to a
10 wide variety of businesses and industries. Over his combined experience at both Scotia Capital
11 and MPA, he has built over 100 financial models for use in M & A, capital raising and
12 commercial valuation purposes.