

RENEWABLE INTEGRATION AND GRID SECURITY PROJECT

Chapter 2 Highlights

Lack of comprehensive analysis in selecting combustion turbine technology	Agreement signed before regulatory approval and without a contingency plan in place	Lack of evidence to support assumptions made for ownership or partnership decision
Procurement advanced ahead of governance	NB Power exposed to financial and contractual risks	Normal governance framework not followed

OVERALL CONCLUSION:

NB Power advanced the Renewable Integration and Grid Security project through key decisions before supporting analysis, governance processes, and regulatory requirements were fully addressed. Critical choices were made without addressing significant risks.

As a result, NB Power assumed governance, financial, and long-term contractual risks. This approach increased exposure to cost and regulatory uncertainty and reduced assurance that risks to electricity customers were fully identified, assessed, and managed at key decision points.