



May 23, 2013

**Re: Hydroelectric Delays**

QEC has run into contracting issues with the hydroelectric project in Iqaluit. A short construction season and issues with contracting have prevented the environmental assessment and environmental feasibility studies from moving forward in the summer of 2013.

QEC has made significant progress on the Hydroelectric Project this year and hopes to maintain momentum going forward. We appreciate all the time and support our stakeholders have given us to date and look forward to working with you in the future.

We hope to reissue the tenders next construction session to complete our winter and summer programs in 2014.

If you have any questions or concerns please do not hesitate to contact me.

A handwritten signature in blue ink, consisting of a large loop followed by a long horizontal stroke.

Karen Larkin