



NEWS RELEASE / STATEMENT

City of Yellowknife

February 22, 2011

11:00 a.m.

City Concludes Successful Interviews with Potential Partners for Con Mine Community Energy System: City Reviewing Proposals to Determine Preferred Private Partner.

Senior staff and project consultants for the City of Yellowknife completed a series of successful interviews in early February with potential business partners for the Con Mine Community Energy System.

At Monday's regular Municipal Services Committee meeting, Council heard a report from staff about these meetings, as well as the general progress being made on the selection of a preferred partner.

The selection is based on a thorough evaluation of the proposals submitted by business partners who had responded to a Negotiated Request for Proposals issued in December. It was also based on interviews that staff held with the prospective companies or business groups during the first week of February.

Robert Long, Senior Administrative Officer for Yellowknife commented on the meetings with the potential business groups: "We've received proposals from and met with three capable, viable and desirable proponents. They see the Con Mine Energy Project as a financially viable business opportunity and have proposed taking an equity position in the project. The process of negotiating an agreement lays out what the partner will do for the project, the cost of the partner's involvement, the risk accepted by the partner and most importantly the community benefit that flows from the partner's proposal. This important and complicated process will be completed by this fall."

It was agreed by all applicants that the underlying ownership of the assets and resources of the Con Mine Energy Project will remain in the hands of the community and that the City will maintain control of the energy pricing.

The next step in the process involves the City drafting a Memo of Understanding (MOU) for the selected partner that outlines the process moving forward towards signing a final agreement. This MOU document outlines the agreed process and next steps that will take place as the City works with the business partner to develop the terms of a working business agreement. It is estimated that this process will lead to a signing of a final agreement in the Fall of 2011. The three potential business partners as standard business practices requested anonymity until the contract negotiations are complete.

The public is invited to a third public information session about the Con Mine project on Wednesday February 23. This "question-and-answer" style public information session will offer residents a chance to learn more about the project and ask detailed questions in a public setting. Join staff and members of the project team to review the top ten project questions, ask questions about the project, and prepare for the referendum vote on March 14. The event will be held at Northern United Place, 5403-50 Avenue (downtown) at 7pm on February 23.

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