





As part of the analysis of the sub-sea option, and to complement initiatives currently underway in other jurisdictions, Newfoundland and Labrador Hydro (Hydro), Emera Inc. and Nova Scotia Power Inc. (NSPI) announced on January 14, 2008 the signing of a Memorandum of Understanding (MOU) to explore the possibility of bringing energy from the Lower Churchill Project to the Maritimes and New England markets. As a result of this MOU, Hydro, Emera and NSPI are working collaboratively to study in detail the technical, economic, financial and regulatory aspects related to exporting power from the Lower Churchill Project to these markets. At the conclusion of this preliminary assessment, the parties will decide if there is merit in advancing potential joint initiatives.

As the demand for energy production and environmental responsibility are simultaneously rising, so too does the demand for renewable, predictably priced, clean energy. The Lower Churchill Project has the potential to generate significant financial rewards and investment returns in addition to being a viable solution that will assist in building a greener economy.