

**MINUTES OF THE ONE HUNDRED AND NINTH MEETING OF THE BOARD OF DIRECTORS OF NALCOR ENERGY HELD IN THE BOARDROOM, LEVEL 6, HYDRO PLACE, ST. JOHN'S, NEWFOUNDLAND AND LABRADOR ON TUESDAY, MAY 9, 2017 AT NOON**

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**Present in person:** B. Paddick, Chair  
C. Hickman, Member  
J. Green, Member  
A. M. Hann, Member  
J. Hillyard, Member  
M. MacLeod, Member  
S. Marshall, Member  
D. Oake, Member  
E. Turpin, Member

**Present by Telephone:** B. Maynard, Member  
D. Molloy, Member

**Present by Invitation:** L. Burnham, Director LIL General Partner  
C. Loomis, Director LIL Operating Corp.  
D. Whalen, Director LIL Operating Corp.  
C. Woodford, Director Lab. Transmission  
R. Cole, Director, Lab. Transmission  
R. Daw, Director Muskrat Falls Corp.  
J. Quaicoe, Director Muskrat Falls Corp.  
S. Kelly-Blackmore, Director LIL Holding Corp. (by phone)  
G. Bennett, Exec. VP Power Development  
J. Haynes, President, NL Hydro  
J. Keating, Executive VP Corp. Services & Offshore Development  
J. MacIsaac, Exec. VP Power Supply  
D. Sturge, Executive VP Finance and CFO  
J. Meaney, VP Finance Power Supply  
A. Warren, General Manager Commercial, Treasury & Risk

**Secretary:** P. Hickman

**1430. CONSTITUTION OF THE MEETING**

Notice for the meeting was sent to all members of the Board on April 11, 2017. A quorum of Directors being present, the Chairperson declared the meeting duly called and validly constituted for the transaction of business.

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**1431. SAFETY MOMENT**

Mr. Hickman provided a safety moment on managing stress.

**1432. VERIFICATION OF MINUTES**

A copy of the minutes of the **ONE HUNDRED** and **EIGHTH** meeting of the Board of Directors held on March 6, 2017, was included in the meeting papers circulated prior to the meeting.

On motion duly made by A. M. Hann, seconded J. Hillyard and unanimously carried, it was resolved:

**THAT** the minutes of the **ONE HUNDRED AND EIGHTH** meeting of the Board of Directors of Nalcor Energy held March 6, 2017, which minutes are currently before this meeting, be and they are hereby verified as being correct; and

**THAT** the Chairperson of the Board be and is hereby authorized to verify the minutes by signing the Minute Book.

**1433. BUSINESS ARISING**

**1434. Audit Committee Report (Minute #1402)**

Mr. Oake, Chair of the Audit Committee, reiterated the discussion held by the Audit Committee with Deloitte concerning Deloitte's retention by Fortis as that company's external auditors. He stated that the Committee had discussed this situation with Deloitte and it was agreed by all that they did not see a conflict arising from this situation. Mr. Paddick noted a new senior relationship partner had been appointed by Deloitte to the Nalcor file, this being Peter Brown.

**1435. RATIFICATION OF APPROVAL OF 2017 SHORT-TERM INCENTIVE PLAN**

The Board had previously approved by email the 2017 Short-Term Incentive Plan (STIP). Mr. MacLeod, Chair of the Compensation Committee outlined the work carried out by the Compensation Committee in this regard. He stated they

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reviewed the percentage attributable to corporate targets and personal targets for the various levels of Management in the STIP. It was the Committee's recommendation, and subsequently approved by the Board, that at the higher levels of Management a greater percentage be attributable to the corporate targets. He reviewed the two tables included in the meeting papers which outlined these percentages, as well as the breakdown of the corporate key performance indicators included in the Corporate section of the performance contracts. He noted that it was the recommendation of the Committee, which was subsequently approved by the Board, that a cap on an employee's STIP payment be at the opportunity level as opposed to the target level.

On motion duly made by M. MacLeod, seconded by J. Hillyard and unanimously carried, it was resolved:

**THAT** the email approval of the Board of Directors of the following with respect to the STI Plan be and it is hereby ratified:

- Relative weighting of Part A to Part B of Performance Contracts to be as follows:
  - For Executive Vice Presidents, 70% of the STI bonus is based on meeting Part A Corporate metrics;
  - For Vice Presidents, 50% of the STI bonus is based on meeting Part A Corporate metrics;
  - For Managers, 30% of the STI bonus is based on meeting Part A Corporate metrics;
- Composition of 2017 Part A Corporate metrics to be as outlined in documents included with March 27, 2017 email to the Board of Directors and included in May 9, 2017 Board meeting papers;
- Cap on Performance Contract pay outs shall be at the Opportunity percentage level for all employees eligible for the STI Plan, which is 120% of Target.

1436.

#### **Q1 2017 FINANCIAL UPDATE**

Mr. Sturge reviewed the Q1 2017 Financial Update presentation included in the meeting papers.

Mr. Sturge reviewed the Key Metrics table included in the Report, along with the Business Segment Profit table. He reported that NLH's profit is up by \$15 million over year-to-date 2016 given a much lower cost associated with fuel for the combustion turbine at Holyrood, and in 2016 there were losses associated with the prudence review carried out by the PUB. He noted that the profits associated with Power Supply are lower than the same period in 2016 due to the reduction in price associated with the Power Contract between CF(L)Co and Hydro-Quebec. With respect to offshore development, there has been an increase in profits during the 1st quarter of 2017 over Q1 2016 due to an increase in oil prices and productivity.

Mr. Sturge then reviewed the table included in the Report relating to Business Segment Capital Expenditures and explained the variances between Q1 2017 and Q1 2016. Mr. Sturge and Mr. Keating discussed the Oil and Gas Corporation's marketing of oil and the marketing arrangement that the Corporation has with Suncor.

Mr. Sturge reviewed the year-to-date regulated Energy Sales. He reported on where NLH is with respect to various rulings from the Public Utilities Board relating to the General Rate Application. He stated that given that all final orders had not been issued, there is some risk to the forecast. There is about \$160 million of deferred costs that are not reflected on the balance sheet at this time, but will be reflected in the electricity rates at some point in the future.

Mr. Sturge reviewed the Financing Update included in the Report. He noted that there will likely be more bond issues relating to NLH before year-end. It was noted that there will be no reference to the Federal Loan Guarantee in the Q1 statements or the MD&A because Government has not formally signed off on it or announced the arrangement.

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In reviewing the 2017 Financial Outlook included in the Report, Mr. Sturge noted that NLH anticipates final customer rates will be in place by July 1, 2017.

Mr. Haynes stated that rates are going to increase due to increases in oil prices.

The amount has not yet been determined as NLH is awaiting the approval of the increase by the PUB.



**1437.**

**REPORT FROM AUDIT COMMITTEE**

Mr. Oake, Chair of the Audit Committee, reported on the meeting of the Audit Committee which was held immediately prior to the Board meeting. He stated that the Committee received the Financial Update from Mr. Sturge at this meeting. The Committee also discussed the Q1 Statements with Deloitte. Deloitte carried out a review of the statements and had no concerns to note. He stated that one of Deloitte's senior employees who worked on the Nalcor Audit has recently accepted a position at Nalcor, but Management assured the Committee that the situation has been managed effectively.

Mr. Oake stated that the Committee reviewed and approved the Statements of various subsidiary Corporations of Nalcor. He stated that it is the recommendation of the Committee that the Board approve the Q1 2017 Nalcor Consolidated Financial Statements. It was noted that any reference to the Federal Loan Guarantee in the MD&A and Financial Statements will be removed for reasons noted earlier in the meeting.

On motion duly made by D. Oake, seconded by E. Turpin and unanimously carried, it was resolved:

**THAT** the Nalcor Energy Consolidated Financial Statements and Management Discussion and Analysis for the period ended March 31, 2017, as tabled and initialed by the Secretary for identification, be and they are hereby approved.

**THAT** S. Marshall and B. Paddick, or any two Directors, be and they are hereby authorized to sign said Financial Statements on behalf of the Board.

**1438.**

**LCP FINANCING**

Mr. Marshall stated that there are a number of Board approvals required with respect to the Lower Churchill Project financing which is being arranged. He emphasized that the information received by directors and which will be presented to them at the meeting is highly confidential and it is essential that it not be disclosed.

Mr. Meaney provided a presentation to the Board, the purpose of which was to outline the recommendation for the Financial Institution that will be notified as the preferred proponent and selected as the Lead Arranger under the 2017 Request for Financing (RFF) for up to \$2.9 billion in debt financing for the Muskrat Falls/Labrador Transmission Assets and Labrador-Island Link funding trusts. He noted that the preferred proponent has not yet been notified and neither have the other proponents, so confidentiality is essential.

Mr. Meaney provided background on the process that was undertaken with respect to the RFF. He reviewed the RFF objectives and the key requirements which the financing for the funding vehicles had to satisfy. He also outlined the key submission requirements for the RFF.

Mr. Meaney then reviewed the framework for the RFF qualification criteria, as well as the framework for the RFF evaluation criteria.

Ms. Molloy left the meeting at this time.

Mr. Meaney reviewed the RFF proposal highlights which were outlined in the presentation. He reviewed the highlights from the proposals from the various proponents, which were six of the major banking institutions. He then provided an overview of the evaluation of the various proposals which was conducted by the team. Mr. Warren provided information to the Board with respect to the results of an NPV analysis which was carried out with respect to the various proposals. With respect to the Toronto Dominion Bank (TD) benchmark proposal, it was reviewed under a number of scenarios and the outcome of its proposal was confirmed.

Mr. Meaney then reviewed the recommendation that TD be notified as the RFF preferred proponent and that a lead arranger commitment letter be executed with them by May 12<sup>th</sup>.

As well, Mr. Meaney stated that following execution of the financing commitment letter with TD and prior to financial close, Nalcor is recommending implementation of bond forwards of up to \$1.85 billion (64%) to hedge the GOC interest rate exposure during that period and provide stability on pricing day. Mr. Meaney reviewed the positives and potential negatives associated with the TD benchmark proposal, which were outlined in the presentation.

Mr. Marshall reviewed indicative changes to key metrics which were outlined in the presentation. These related to domestic electricity rates, dividends and net income, comparing them to the last cost update in June of 2016, 2017 budget input and the current indicative outcomes. The latter will change and be updated based on final pricing achieved at financial close. He stated that indications are that the financing that has been arranged will result in a mitigation of the increase

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in rates for electricity consumers and a decrease in the amount of equity that the Government will have to contribute. Net income will also be down.

The Board commended everyone involved on a job well done with respect to arranging the financing and its terms.

On motion duly made by D. Oake, seconded by C. Hickman and unanimously carried, it was resolved:

**WHEREAS** briefings and updates have been provided to the board of directors on the Nalcor (2017) Financing Commitment Agreements;

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Corporation be and is hereby authorized to negotiate, execute and deliver each of the following agreements (collectively the "**Nalcor (2017) Financing Commitment Agreements**") substantially as contemplated by the briefings and updates provided to the board and each of which are hereby approved upon execution as authorized by this resolution:
  - (a) Financing Commitment Letter;
  - (b) LIL Underwriting Agreement; and
  - (c) Muskrat/Labrador Transco Underwriting Agreement.
2. Any two of the officers or directors of the Corporation be and are hereby authorized and directed to negotiate, execute and deliver each of the Nalcor (2017) Financing Commitment Agreements with such amendments or variations thereto as they may approve. The execution by such officers or directors shall be conclusive proof that the Corporation has authorized such officers or directors to execute the agreements in the form in which they have been executed.
3. Any two of the officers or directors of the Corporation be and they are hereby authorized and directed to do all such further and other acts and things and to execute and deliver or cause to be executed and delivered such further and other instruments, agreements, certificates, deeds, assignments, acknowledgements, declarations, documents, undertakings and writings as in their discretion may be necessary or desirable to complete the transactions contemplated by the Nalcor (2017) Financing Commitment Agreements or any of the agreements or schedules referred to therein or any one of them, and all of the other

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instruments and agreements referred to in the foregoing resolution, and to give effect to the foregoing, all to be in such form and on such terms as such persons shall approve, such approval and the approval of the board of directors to be conclusively evidenced by their execution thereof.

**1439. APPROVAL OF 2017 FINANCING AGREEMENTS**

Mr. Meaney reviewed the presentation distributed to the Board members prior to the meeting entitled "MF/LTA and LIL Project Financing Agreements". The purpose of the presentation was to obtain Board authorization to execute proposed amendments to the MF/LTA and LIL Project Financing Agreements and related documents initially executed in November 2013 and amended in July 2015. Mr. Meaney stated that the amendments are required to the Financing Agreements to reflect the terms and conditions of the FLG 2 Agreement and to satisfy conditions precedent to financial close in May 2017 for the \$2.9 billion debt financing that will be guaranteed by the Government of Canada. He noted that a summary of the Financing Agreements that need to be executed was included in another appendix to the presentation. He also noted that the key terms and conditions of the FLG 1 and FLG 2 which had previously been presented to the Board were included in the presentation along with the FLG 2 Agreement.

On motion duly made by S. Marshall, seconded by J. Hillyard and unanimously carried, it was resolved:

**WHEREAS** Nalcor was established pursuant to the Energy Corporation Act (Newfoundland and Labrador) with the object to invest in, engage in and carry out activities in all areas of the energy sector in Newfoundland and Labrador and elsewhere;

**AND WHEREAS** the Corporation has approved a financing plan and structure designed to provide additional financing for a new hydro-electric generation plant to be constructed on the Churchill River in the in the vicinity of Muskrat Falls (the "**MF Plant**");

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**AND WHEREAS** the Corporation has approved a financing plan and structure designed to provide additional financing for the transmission facilities to be constructed between the MF Plant and the generating plant located at Churchill Falls, Newfoundland and Labrador (the "**Labrador Transmission Assets**" ("**LTA**"));

**AND WHEREAS** the Corporation has approved a financing plan and structure designed to provide additional financing for the transmission facilities to be constructed from central Labrador to Soldiers Pond, Newfoundland and Labrador (the "**Labrador-Island Link**" ("**LIL**"));

**AND WHEREAS** the Nalcor LCP (2017) Financing Agreements (as defined below) are in furtherance of the objects of the Corporation and the approved financing plan and structure for the MF Plant, the LTA and the LIL;

**AND WHEREAS** briefings and updates have been provided to the board of directors on the Nalcor LCP (2017) Financing Agreements;

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Corporation be and is hereby authorized to negotiate, execute and deliver each of the following agreements (collectively the "**Nalcor LCP (2017) Financing Agreements**") substantially as contemplated by the briefings and updates provided to the board and each of which are hereby approved upon execution as authorized by this resolution:
  - a. LIL Second Amended and Restated Master Definitions Agreement;
  - b. MF/LTA Second Amended and Restated Master Definitions Agreement; and
  - c. Agreement Regarding Utilization of the Equity Prefunding Reserve Account.

Capitalized terms used in this Section 1 have the meanings given to them in the Definition Schedule attached hereto as Schedule 1.

2. Any two of the officers or directors of the Corporation be and are hereby authorized and directed to negotiate, execute and deliver each of the Nalcor LCP (2017) Financing Agreements with such amendments or variations thereto as they may approve. The execution by such officers or directors shall be conclusive proof that the Corporation has authorized such officers or directors to execute the agreements in the form in which they have been executed;
3. Any two of the officers or directors of the Corporation be and they are hereby authorized and directed to do all such further and other acts and things and to execute and deliver or cause to be executed and delivered such further and other instruments, agreements, certificates, deeds,

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assignments, acknowledgements, declarations, documents, undertakings and writings as in their discretion may be necessary or desirable to complete the transactions contemplated by the Nalcor LCP (2017) Financing Agreements or any of the agreements or schedules referred to therein or any one of them, and all of the other instruments and agreements referred to in the foregoing resolution, and to give effect to the foregoing, all to be in such form and on such terms as such persons shall approve, such approval and the approval of the board of directors to be conclusively evidenced by their execution thereof.

#### **SCHEDULE 1 DEFINITION SCHEDULE**

**"Collateral Agent"** means The Toronto Dominion Bank, in its capacity as collateral agent for the GAA Finance Parties;

**"GAA Finance Parties"** means, as applicable, the Intermediary Trust, the LIL Funding Vehicle and Canada, or, the MF/LTA Funding Trust and Canada;

**"General Partner"** means Labrador-Island Link General Partner Corporation, a corporation incorporated under the laws of Newfoundland and Labrador in its capacity as general partner of the Partnership;

**"Intermediary Trust"** means LIL Construction Project Trust, a single purpose trust formed under the laws of Newfoundland and Labrador;

**"LIL Funding Vehicle"** means Labrador-Island Link Funding Trust, a single purpose trust formed under the laws of the Province of Newfoundland and Labrador pursuant to the LIL Funding Trust Declaration;

**"LIL Funding Trust Declaration"** means the declaration of trust dated November 1, 2013 establishing the LIL Funding Vehicle;

**"LIL Second Amended and Restated Master Definitions Agreement"** means the second amended and restated master definitions agreement entered into among the Collateral Agent, LIL Funding Vehicle, Intermediary Trust, Security Trustee, Nalcor, Nalcor LP, the NL Crown, the General Partner on its own behalf and for and on behalf of the Partnership, and Opco;

**"LIL Underwriting Agreement"** means the agreement pursuant to which Labrador-Island Link Funding Trust proposes to sell to the

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underwriter named therein certain bonds and such underwriter agrees to purchase them all;

**“Labrador Transco”** means Labrador Transmission Corporation, a Newfoundland and Labrador corporation;

**“MF/LTA Agreement Regarding the Utilization of the Equity Prefunding Reserve Account”** means the agreement between Nalcor, Muskrat and Labrador Transco regarding utilization of the joint equity prefunding reserve account of Muskrat and Labrador Transco;

**“MF/LTA Funding Trust Declaration”** means the declaration of trust dated November 1, 2013 establishing the Muskrat Falls/Labrador Transmission Assets Funding Trust;

**“MF/LTA Funding Vehicle”** means the Muskrat Falls Labrador Transmission Assets Funding Trust, established under NL Law pursuant to the MF/LTA Funding Trust Declaration;

**“MF/LTA Underwriting Agreement”** means the agreement pursuant to which Muskrat Falls/Labrador Transmission Assets Funding Vehicle proposes to sell to the underwriter named therein certain bonds and such underwriter agrees to purchase them all;

**“Muskrat”** means Muskrat Falls Corporation, a Newfoundland and Labrador corporation;

**“Muskrat/Labrador Transco Second Amended and Restated Master Definitions Agreement”** means the second amended and restated master definition agreement entered into among the Collateral Agent, MF/LTA Funding Vehicle, the Security Trustee, Nalcor, NL Crown, Muskrat and Labrador Transco;

**“NL Crown”** means Her Majesty in Right of Newfoundland and Labrador;

**“Nalcor”** means Nalcor Energy, a body corporate existing pursuant to the Energy Corporation Act (Newfoundland and Labrador);

**“Nalcor LP”** means Labrador-Island Link Holding Corporation, a Newfoundland and Labrador corporation;

**“Opco”** means Labrador-Island Link Operating Corporation, a Newfoundland and Labrador corporation;

**“Partnership”** means the Labrador-Island Link Limited Partnership;

**"Security Trustee"** means Computershare Trust Company of Canada.

On motion duly made by D. Oake, seconded by J. Hillyard and unanimously carried, it was resolved:

**WHEREAS** Nalcor Energy (the "**Corporation**") was established pursuant to the Energy Corporation Act (Newfoundland and Labrador) with the object to invest in, engage in and carry out activities in all areas of the energy sector in Newfoundland and Labrador and elsewhere;

**AND WHEREAS** the Corporation has approved a financing plan and structure designed to provide additional financing for a new hydro-electric generation plant to be constructed on the Churchill River in the in the vicinity of Muskrat Falls (the "**MF Plant**");

**AND WHEREAS** the Corporation has approved a financing plan and structure designed to provide additional financing for the transmission facilities to be constructed between the MF Plant and the generating plant located at Churchill Falls, Newfoundland and Labrador (the "**Labrador Transmission Assets**" or the "**LTA**");

**AND WHEREAS** the Corporation has approved a financing plan and structure designed to provide additional financing for the transmission facilities to be constructed from central Labrador to Soldiers Pond, Newfoundland and Labrador (the "**Labrador-Island Link**" or the "**LIL**");

**AND WHEREAS** the Corporation and its subsidiaries: Muskrat Falls Corporation, Labrador Transmission Corporation, Labrador-Island Link Holding Corporation, Labrador-Island Link General Partner Corporation and Labrador-Island Link Operating Corporation (the "**Subsidiaries**"), have, in connection with resolutions of the directors of the Corporation and the Subsidiaries dated May 9, 2017, resolved to negotiate, execute and deliver various agreements for undertakings and financings, as disclosed therein (the "**Authorized Agreements**");

**AND WHEREAS** pursuant to Section 14.1(3) of the Energy Corporation Act (Newfoundland and Labrador), the Corporation is required to approve all undertakings and borrowing of each of the Subsidiaries which would have been required to have been approved

by the Lieutenant-Governor in Council if engaged in by the Corporation;

**NOW THEREFORE BE IT RESOLVED THAT:**

The Corporation does hereby authorize, all business, undertakings and financing to be engaged in by the Subsidiaries in connection with the MF Plant, LTA, LIL or the Authorized Agreements, including without limitation, that each Subsidiary is authorized to do any of the following:

- a. Borrow money for purposes related to the MF Plant, LTA, LIL or the Authorized Agreements;
- b. Secure the repayment of money borrowed;
- c. Issue bonds, debentures, or other securities of the Subsidiaries;
- d. Execute and deliver mortgages, assignments, conveyances, charges or other encumbrances of and over the property of every nature and kind, both present and future, title to which is vested in any of the Subsidiaries; and
- e. Enter into, execute and deliver a trust deed, trust indenture or an agreement with a lender, a trustee acting for the holders of bonds and debentures or other persons.

Mr. Warren left the meeting at this time.

**1440. UPDATE – AMENDING AGREEMENT WITH GE GRID**

Mr. Marshall stated that there is an opportunity to bring energy to the Island sooner than originally scheduled by using a monopole approach to the construction of the Labrador-Island Link. There were changes that needed to be made to the approach and to the Agreement with the Contractor, GE Grid.

Mr. MacIsaac and his team worked with GE Grid to address this.

Mr. MacIsaac reviewed a presentation included in the meeting papers outlining the phased energization approach to the construction of the Labrador-Island Link. He stated that one of the goals was to simplify the process to get to energization. The bi-pole approach is technically complex and has caused problems in other places that have utilized this process. It was therefore decided to use a stepped approach of monopole / pole by pole, the benefits of which he outlined to the Board.

Mr. MacIsaac stated that this change in approach had an effect on existing contracts which had to be addressed. There were minimal effects on the contracts for the overland transmission and the sync condensers. The contract with GE Grid for the HVdc specialties needed to be revised in order to refocus and solidify the plan. GE was receptive to the idea of the phased approach and the amendment to the Agreement was negotiated and finalized in April. As part of that negotiation, the parties successfully resolved several other outstanding issues related to disputed change orders, costs and delays due to the Cartwright protest, contractor execution issues regarding deliveries, resourcing, reporting, safety, etc.

Mr. MacIsaac reported that safety issues that have been experienced with Valard and GE have been addressed and will continue to be a focus.

He stated that the revised Agreement will result in an additional payment of \$57.5 million to GE Grid. He outlined the major components which makeup this amount. He noted that the amount initially sought by GE was substantially larger. This amount is within the current budget, with contingency helping to cover part of the amount. Out of the contingency of \$112 million in the budget, \$17 million of it will be used towards this contract change order.

The two significant benefits to the monopole approach will be the early energization of the line to allow for potential recall power to be used on the Island prior to Muskrat coming online. This could potentially result in \$300 million in savings over two years. Another significant benefit is the simplification of the energization process, as this approach is much less complex.

**1441. BY-LAW NO. 3 OF LABRADOR-ISLAND LINK GENERAL  
PARTNER AND LABRADOR-ISLAND LINK HOLDING  
CORPORATIONS**

On motion duly made by A. M. Hann, seconded by M. MacLeod and unanimously carried, it was resolved:

**THAT** Nalcor Energy is hereby authorized to execute a written resolution of the Shareholder of Labrador-Island Link General Partner Corporation ("LIL GP") confirming By-Law No. 3 of LIL GP, subject to the approval of the By-Law by the Board of Directors of LIL GP.

and

**THAT** Nalcor Energy is hereby authorized to execute a written resolution of the Shareholder of Labrador-Island Link Holding Corporation ("LIL HC") confirming By-Law No. 3 of LIL HC, subject to the approval of the By-Law by the Board of Directors of LIL HC.

**1442. GOOD FAITH CASE**

Mr. Hickman provided an update to the Board members with respect to the Good Faith legal action between CF(L)Co and Hydro-Quebec.

**1443. UPDATE ON PROGRESS OF MUSKRAT FALLS PLANT**

Mr. Bennett provided an update on progress of work at the Muskrat Falls site. He stated that Astaldi continues to work to schedule and the quality of the work is good. As well, there continues to be a focus on Astaldi's safety performance.

Mr. Bennett stated that there was no damage experienced at site through the winter months. He also noted that there are discussions at multiple levels with the aboriginals. Finally, Mr. Bennett provided an update on the methyl mercury matter.


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**1444. IN CAMERA SESSION**

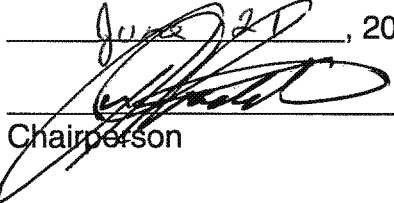
The members of the Nalcor Board, including Mr. Marshall, held an in camera session. The members of the Nalcor Board, other than Mr. Marshall, held an additional in camera session.

**1445. TERMINATION**

There being no further business, the meeting was terminated.

  
\_\_\_\_\_  
Secretary

Verified at a meeting held on

  
\_\_\_\_\_, 2017  
Chairperson