

Emera Levelized Energy Cost
October 29, 2010

Levelized Energy Cost per Emera v7 (Oct 19 th)	\$ 157.62
O&M - Island Link extraordinary repairs removed	(1.05)
Line Losses – from 10% to 8%	(3.40)
O&M – Updated profile (excluding above noted items)	(6.00)
Capex – P75 to P50 case (all contingency set at 15% = 3.82% ↓ capex)	(4.96)
Emera Interest rates – from 6.0% to 5.5%	(4.53)
Updated Levelized energy cost per Nalcor v8 (Oct 20 th)	137.68
Capex – Updated timing profile based on Individual Project	(6.40)
	131.28
Receipt of P3 Financing ⁽¹⁾	(8.31)
<u>Final Levelized energy cost per Nalcor v9 (Oct 29th)</u>	<u>\$ 122.97</u>

⁽¹⁾ Receipt of P3 Financing – based on Emera receiving their portion (20%) of P3 financing equally over 3 years effective December 2011, 2012 & 2013

\$ 375