

**From:** scottpelley@nalconenergy.com  
**Sent:** Saturday, February 15, 2014 12:29 AM  
**To:** james meaney/nlhydro  
**Cc:** auburn warren/nlhydro; derrick sturge/nlhydro; craig hippern/nlhydro; rob hull/nlhydro  
**Subject:** Re: Reconciliation of equity aske

Will use that - will send another draft around tomorrow for all to review

Sent from my iPhone

On Feb 15, 2014, at 12:11 AM, "James Meaney"  
<[JamesMeaney@nalconenergy.com](mailto:JamesMeaney@nalconenergy.com)> wrote:

Scott

Propose you could use the text I just sent in separate email for funding contingency explanation.

For LCP Phase 1 line item, how about this:

"The contribution of \$16.2m from the Mar'13 projection was based on the \$6.2B DG3 (Sanction) estimate and associated spend profile established in Fall 2012 and an assumed financial close in Oct'13. The amount included in Nalcor's 2014 budget reflects (1) an updated capital cost used to establish the Project Budget baseline for the MF/LTA and LIL Project Finance Agreements executed on Nov 29, 2013, (2) a yearly spend profile that differs from the DG3 estimate but which better reflects the projected timing of expenditures given, for example, actual award dates for major contracts that occurred subsequent to Sanction (eg. Astaldi) , and (3) the actual financial close date which occurred in Dec'13."

Jim

Sent from my BlackBerry 10 smartphone on the Bell network.

**From:** Auburn Warren  
**Sent:** Friday, February 14, 2014 6:28 PM  
**To:** Derrick Sturge  
**Cc:** Scott Pelley; James Meaney; Craig Hipper; Rob Hull  
**Subject:** Re: Reconciliation of equity aske

Also should note that lcp phase one was based on oct 13 financial close

Auburn Warren, CA

General Manager (Commercial, Treasury & Risk) and Chief Risk Officer

Nalcor Energy

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mob: 709.725.1141

On Feb 14, 2014, at 6:16 PM, "Derrick Sturge" <[DSturge@nalcorenergy.com](mailto:DSturge@nalcorenergy.com)> wrote:

Scott, might want to note higher capex in oil and gas also

Derrick Sturge, FCA

Vice-President, Finance & CFO

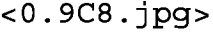
Nalcor Energy

Sent from my iPad

On Feb 14, 2014, at 5:46 PM, "Scott Pelley" <[ScottPelley@nalcorenergy.com](mailto:ScottPelley@nalcorenergy.com)> wrote:

Attached is my first cut at reconciling our 2014 equity ask (\$500M) back to the \$100M that was in the Mar-13 update provided to GNL. Please advise of any comments as soon as possible

*(See attached file: Reconciliation of equity ask to Mar 2013 estimate - for GNL.xlsx)*

	<p><b>Scott W. Pelley, CA</b></p> <p>Corporate Treasurer</p> <p>Commercial, Treasury and Risk Management</p> <p>Nalcor Energy</p> <p>t. 709 737-1364 c. 709 730-2927</p> <p>e. <a href="mailto:ScottPelley@nalcorenergy.com">ScottPelley@nalcorenergy.com</a></p> <p>w. <a href="http://nalcorenergy.com">nalcorenergy.com</a></p>
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**You owe it to yourself, and your family, to make it home safely every day. What have you done today so that nobody gets hurt?**

<Reconciliation of equity ask to Mar 2013 estimate - for GNL.xlsx>