

**From:** dsturge@nalcoreenergy.com  
**Sent:** Monday, March 10, 2014 10:50 AM  
**To:** Brewer, Donna  
**Cc:** Bown, Charles; auburn warren/nlhydro; james meaney/nlhydro  
**Subject:** Re: Minister Request

Not sure on timing of 6.5 release. If Minister wants data that can be made public, then the 6.2 billion chart that we provided you in November is the best we have. Should recognize though that the 6.2 billion chart from November will not tie into the 10 year forecast and the equity request - all of which are based on updated capex, final financing costs, updated in-service dates and updated spend profile. Major changes since the 6.2 billion chart in November are as follows:

1. Final financing put in place
2. Capex estimate increased from 6.2 to 6.5
3. In-service dates pushed out
4. Spend profile updated

So, with respect to chart, we will still provide you with updated chart based updated capex and current assumptions.

Derrick

Derrick Sturge, FCA

Vice-President, Finance & CFO

Nalcor Energy

Sent from my iPad

On Mar 10, 2014, at 10:40 AM, "Brewer, Donna" <[dbrewer@gov.nl.ca](mailto:dbrewer@gov.nl.ca)> wrote:

Anything we give her she could end up using and become part of the public record.

She will need a note to explain the differences between the 6.5 and the DG3.

When does Ed plan to do a public update.

Sincerely,

Donna Brewer, CA

Deputy Minister

Department of Finance

**From:** [DSturge@nalcoreenergy.com](mailto:DSturge@nalcoreenergy.com) [<mailto:DSturge@nalcoreenergy.com>]

**Sent:** Monday, March 10, 2014 10:38 AM

**To:** Brewer, Donna

**Subject:** Re: Minister Request

Ok, but what about the table you requested on Saturday.....we are still proceeding with this on \$6.5 billion.

Derrick

Derrick Sturge, FCA

Vice-President, Finance & CFO

Nalcor Energy

Sent from my iPad

On Mar 10, 2014, at 10:36 AM, "Brewer, Donna" <[dbrewer@gov.nl.ca](mailto:dbrewer@gov.nl.ca)> wrote:

Just got a new SFT. I do not recall seeing any reference to CAPEX in last night's version.

Sincerely,

Donna Brewer, CA

Deputy Minister

Department of Finance

**From:** [DSturge@nalconenergy.com](mailto:DSturge@nalconenergy.com) [<mailto:DSturge@nalconenergy.com>]

**Sent:** Monday, March 10, 2014 10:17 AM

**To:** Brewer, Donna

**Cc:** [AuburnWarren@nalconenergy.com](mailto:AuburnWarren@nalconenergy.com); Bown, Charles W.

**Subject:** Re: Minister Request

Donna, to ensure we are clear, we will update this based on the revised \$6.5 capex estimates, actual financing costs, the delayed service dates and spend profile all consistent with the 10 year forecast we gave you a few weeks ago. Also to be clear, this table will not be consistent with the capex number I have seen used in the throne speech.

Derrick

Derrick Sturge, FCA

Vice-President, Finance & CFO

Nalcor Energy

Sent from my iPad

On Mar 8, 2014, at 4:31 PM, "Brewer, Donna" <[dbrewer@gov.nl.ca](mailto:dbrewer@gov.nl.ca)> wrote:

Auburn

Could you update the attached and return.

I would like to provide to Minister Johnson.

House reopens Wednesday March 12, 2014. Thx.

Sincerely,

Donna Brewer, CA

Deputy Minister

Department of Finance

**From:** [AuburnWarren@nalconenergy.com](mailto:AuburnWarren@nalconenergy.com) [<mailto:AuburnWarren@nalconenergy.com>]

**Sent:** Friday, November 01, 2013 1:58 PM

**To:** Myrden, Paul

**Cc:** Brewer, Donna; [DSturge@nalconenergy.com](mailto:DSturge@nalconenergy.com); [JamesMeaney@nalconenergy.com](mailto:JamesMeaney@nalconenergy.com); Morris, Paul J.; [RobHull@nalconenergy.com](mailto:RobHull@nalconenergy.com); Bown, Charles W.

**Subject:** Re: Minister Request

Good afternoon Paul,

As discussed please find attached summary for your review.

Cheers!

Auburn

<M1.2.jpg>

**Auburn Warren, CA**

**Manager, Investment Evaluation**

**Nalcor Energy**

t. 709-737-1256      c. 709-725-1141

e. [AuburnWarren@nalcorenergy.com](mailto:AuburnWarren@nalcorenergy.com)

w. [nalcorenergy.com](http://nalcorenergy.com)

From: "Myrden, Paul" <[pmyrden@gov.nl.ca](mailto:pmyrden@gov.nl.ca)>

To: <[DSturge@nalcorenergy.com](mailto:DSturge@nalcorenergy.com)>, <[RobHull@nalcorenergy.com](mailto:RobHull@nalcorenergy.com)>, <[JamesMeaney@nalcorenergy.com](mailto:JamesMeaney@nalcorenergy.com)>, "Auburn Warren/NLHydro" <[AuburnWarren@nalcorenergy.com](mailto:AuburnWarren@nalcorenergy.com)>

Cc: "Morris, Paul J." <[pmorris@gov.nl.ca](mailto:pmorris@gov.nl.ca)>, "Brewer, Donna" <[dbrewer@gov.nl.ca](mailto:dbrewer@gov.nl.ca)>

Date: 10/18/2013 04:14 PM

Subject: Minister Request

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Hi guys

Minister Marshall has asked to be provided with the following financial information:

1. A breakdown of budgeted project costs by component showing total project costs along with the portion which is the responsibility of Nalcor / NL;
2. For the portion of each that is our responsibility, the details of the funding split between debt and equity;
3. For the equity requirement, the split between what is already in and what is still required;
4. For the anticipated future equity requirement, the expected timing of the requirement broken down by government fiscal year; and
5. The most recent update on expected total project costs by component vs. budget (DG3?), if available. If not available, a reason why might be helpful along with an indication of when it might be available.

Needless to say, it would be appreciated if this could be provided expeditiously. Thanks.

Paul

Paul Myrden

Director, Debt Management

Department of Finance

Tel. 709 729-6848

Fax 709 729-2070



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<Minister Request 13.11.01.pdf>

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Minister Request March 8, 2014  
 CIMFP Exhibit P-03548

CADMM	MF/LTA			LIL				Total			
<b>Project Costs:</b>											
MF	\$3,265.3									\$3,265.3	
LTA	\$720.3									\$720.3	
LIL							\$2,546.2			\$2,546.2	
<b>Total Project Budget</b>	<b>\$3,985.6</b>						<b>\$2,546.2</b>			<b>\$6,531.8</b>	
IDC/AFUDC, financing and other soft costs	\$444.4						\$563.8			\$1,008.2	
Reserves and other	\$156.1						\$69.5			\$225.7	
<b>Total to be funded</b>	<b>\$4,586.2</b>						<b>\$3,179.5</b>			<b>\$7,765.7</b>	
<b>Funding Split</b>	<b>Nalcor</b>			<b>Nalcor</b>		<b>Emera</b>		<b>Total</b>		<b>Total</b>	
Ownership	100%			65.1%		34.9%		100%		100%	
Capital Account	100%			37.3%		62.7%		100%		100%	
Equity	1,986.2	43.3%		\$296.2	14.3%	\$498.6	45.0%	\$794.9	25.0%	\$2,781.0	35.8%
Debt	2,600.0	56.7%		\$1,775.1	85.7%	\$609.5	55.0%	\$2,384.6	75.0%	\$4,984.6	64.2%
<b>Total</b>	<b>4,586.2</b>	<b>100.0%</b>		<b>\$2,071.4</b>	<b>100.0%</b>	<b>\$1,108.1</b>	<b>100.0%</b>	<b>\$3,179.5</b>	<b>100.0%</b>	<b>\$7,765.6</b>	<b>100.0%</b>
Capital Account Ownership	100%			37%		63%					
<b>Equity Injections</b>	<b>MF</b>	<b>LTA</b>	<b>Total</b>	<b>Nalcor</b>	<b>Emera</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total Nalcor</b>	
Equity Required to Financial Close	\$584.8	\$86.6	\$671.4	\$126.6	\$67.7	\$194.3	\$865.8	\$798.0		\$798.0	
Equity Required Financial Close to In-Service	\$1,043.8	\$270.9	\$1,314.7	\$84.4	\$328.3	\$412.7	\$1,727.5	\$1,399.2		\$1,399.2	
AFUDC on Equity (Not Contributed)	\$0.0	\$0.0	\$0.0	\$85.2	\$102.6	\$187.8	\$187.8	\$85.2		\$85.2	
<b>Total Equity</b>	<b>\$1,628.6</b>	<b>\$357.5</b>	<b>\$1,986.2</b>	<b>\$296.2</b>	<b>\$498.6</b>	<b>\$794.9</b>	<b>\$2,781.0</b>	<b>\$2,282.4</b>		<b>\$2,282.4</b>	
<b>Government Fiscal Year (March 31, 20XX)</b>			<b>Total</b>								
Future Equity Required	<b>MF</b>	<b>LTA</b>	<b>Nalcor</b>	<b>Nalcor</b>	<b>Emera</b>	<b>Total</b>	<b>Total</b>	<b>Contingency</b>	<b>Total Nalcor</b>		
2015	121.2	58.7	179.9	-	-	-	179.9	150.0	329.9		
2016	107.0	84.6	191.6	26.7	181.7	208.4	400.0		218.4		
2017	241.0	57.4	298.4	44.6	113.3	157.9	456.2		342.9		
2018	212.9	32.9	245.9	10.1	25.7	35.8	281.6		256.0		
2019	361.7	37.4	399.0	3.0	7.6	10.7	409.7		402.0		
<b>Total Future Equity</b>	<b>\$1,043.8</b>	<b>\$270.9</b>	<b>\$1,314.7</b>	<b>\$84.4</b>	<b>\$328.3</b>	<b>\$412.7</b>	<b>\$1,727.5</b>	<b>\$150.0</b>	<b>\$1,549.2</b>		
Financial Close	13-Dec-13										
Commissioning	1-Jun-18			1-Jun-18							

Project budget as at January 18, 2014.

MF/LTA Funding equity includes hedge settlement of \$14.1M.

MF/LTA IDC is net of interest earned on SDN's.

LIL equity required to Financial Close of \$126.6M includes Nalcor's \$19.9 M prior period AFUDC.

Nalcor equity for LIL excludes pre-paid rent.