
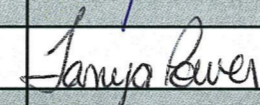
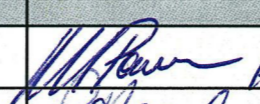
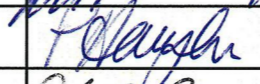
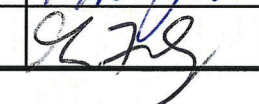


Cost Approval Form

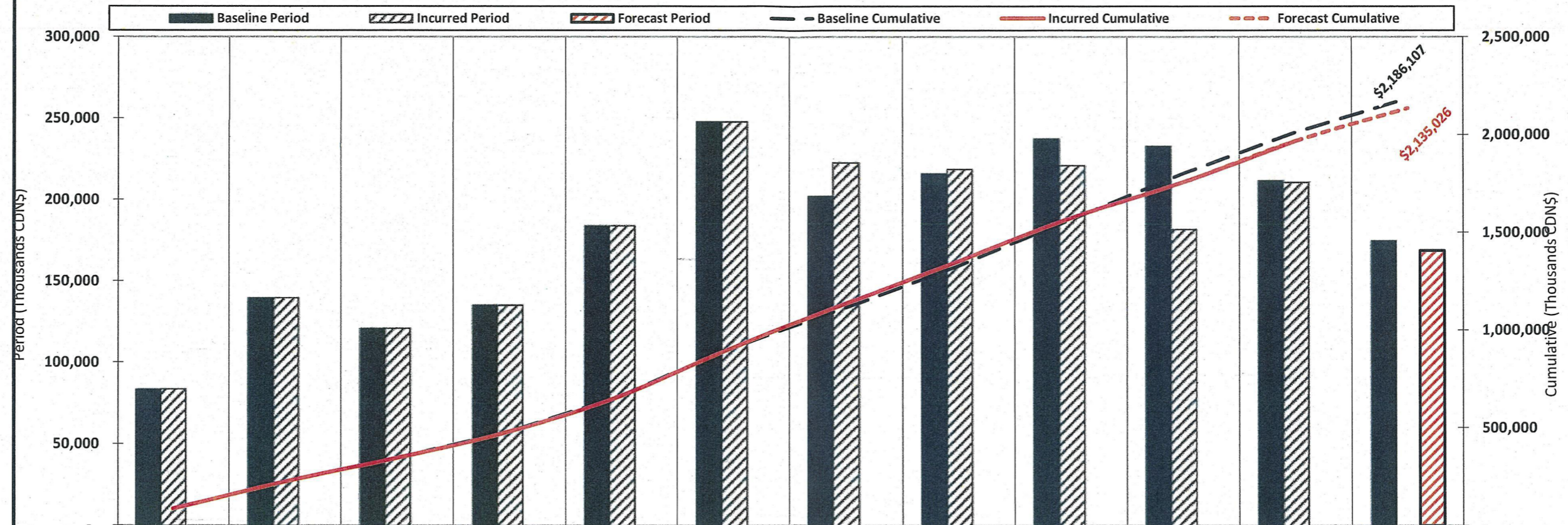
Period Ending: November 2016		MF	LITL	LTA	LCP	LCP (Previous Month)
CCB (Excluding Contingency)	A	\$4,597,892,640	\$3,371,199,096	\$855,759,264	\$8,824,851,000	\$8,794,426,250
Budgeted Contingency	B	\$203,519,796	\$76,194,864	\$21,798,113	\$301,512,773	\$331,937,523
AFE	C = A+B	\$4,801,412,436	\$3,447,393,960	\$877,557,377	\$9,126,363,773	\$9,126,363,773
Committed		\$3,500,603,973	\$3,043,284,901	\$795,754,862	\$7,339,643,736	\$7,274,777,549
Incurred	D	\$2,886,252,082	\$2,345,737,177	\$737,720,118	\$5,969,709,377	\$5,759,061,258
FTC (Excluding Contingency)	E	\$1,719,882,787	\$1,012,436,850	\$113,345,125	\$2,845,664,762	\$3,035,070,374
Forecasted Contingency	F	\$195,277,567	\$89,219,933	\$26,492,134	\$310,989,634	\$332,232,141
FFC	G = D+E+F	\$4,801,412,436	\$3,447,393,960	\$877,557,377	\$9,126,363,773	\$9,126,363,773
FFC - AFE	G - C	\$0	\$0	\$0	\$0	\$0

Prepared by:	Name	Signature	Date
Lead Cost Controller	George Chehab		12-Dec-2016
Reviewed by:			
Project Controls Manager	Tanya Power		13-Dec-2016
Approved by:			
General Project Manager - Generation	Ron Power		13-DEC-2016
Project Director - Generation	Paul Harrington		13 Dec 2016
Project Director - Transmission	Greg Fleming		Dec/13/2016



LCP Phase I - Muskrat Falls Generation, Lab. Island Transmission Link, Lab Tx Asset
Current Year Control Budget, Incurred and Forecast Cost (CAPEX)

For Period Ending: 25-November-2016



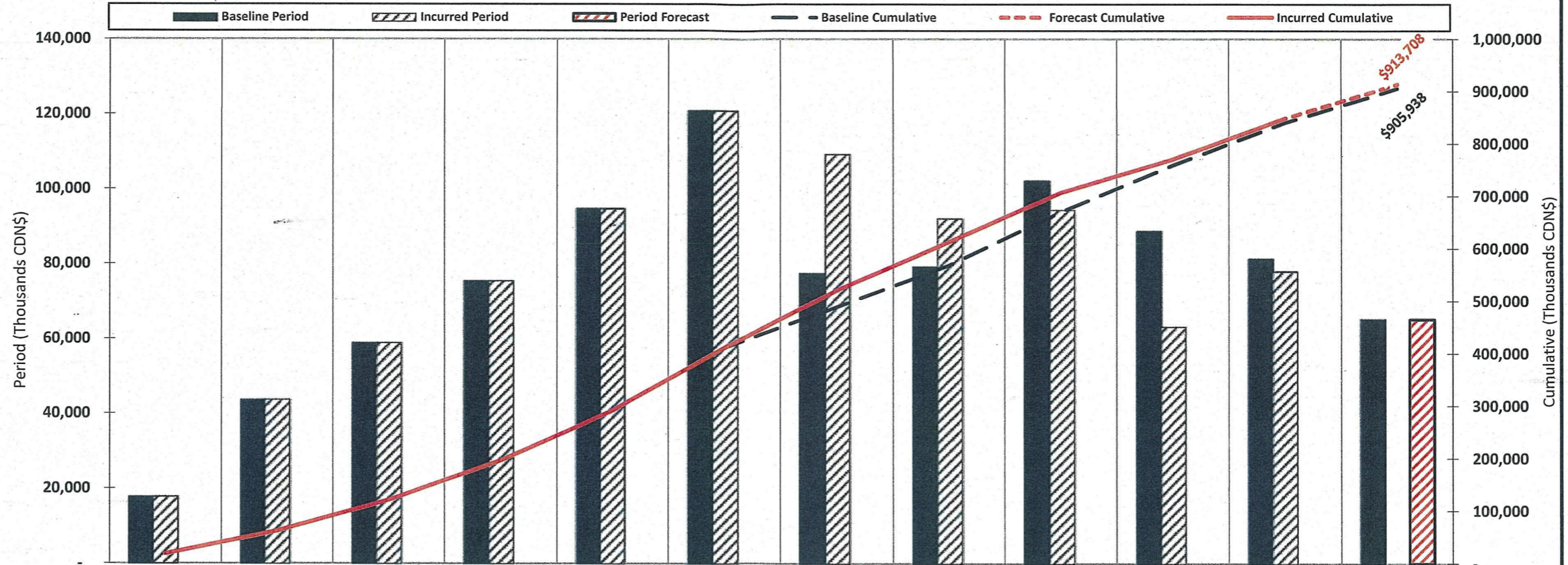
Period	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Baseline	83,608	139,718	121,074	135,241	183,947	247,680	202,214	216,006	237,334	232,796	211,627	174,860
Incurred	83,608	139,718	121,074	135,241	183,947	247,680	222,727	218,605	221,044	181,912	210,648	
Forecast												168,820
Cumulative	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Baseline ⁽¹⁾	83,608	223,327	344,401	479,643	663,590	911,269	1,113,483	1,329,489	1,566,823	1,799,620	2,011,247	2,186,107
Incurred	83,608	223,327	344,401	479,643	663,590	911,269	1,133,996	1,352,601	1,573,645	1,755,557	1,966,206	
Forecast												2,135,026

(1) This baseline represents the 2016 revised AFE approved by Nalcor board on June 2016



LCP Phase I - Muskrat Falls Generation Current Year Control Budget, Incurred and Forecast Cost (CAPEX)

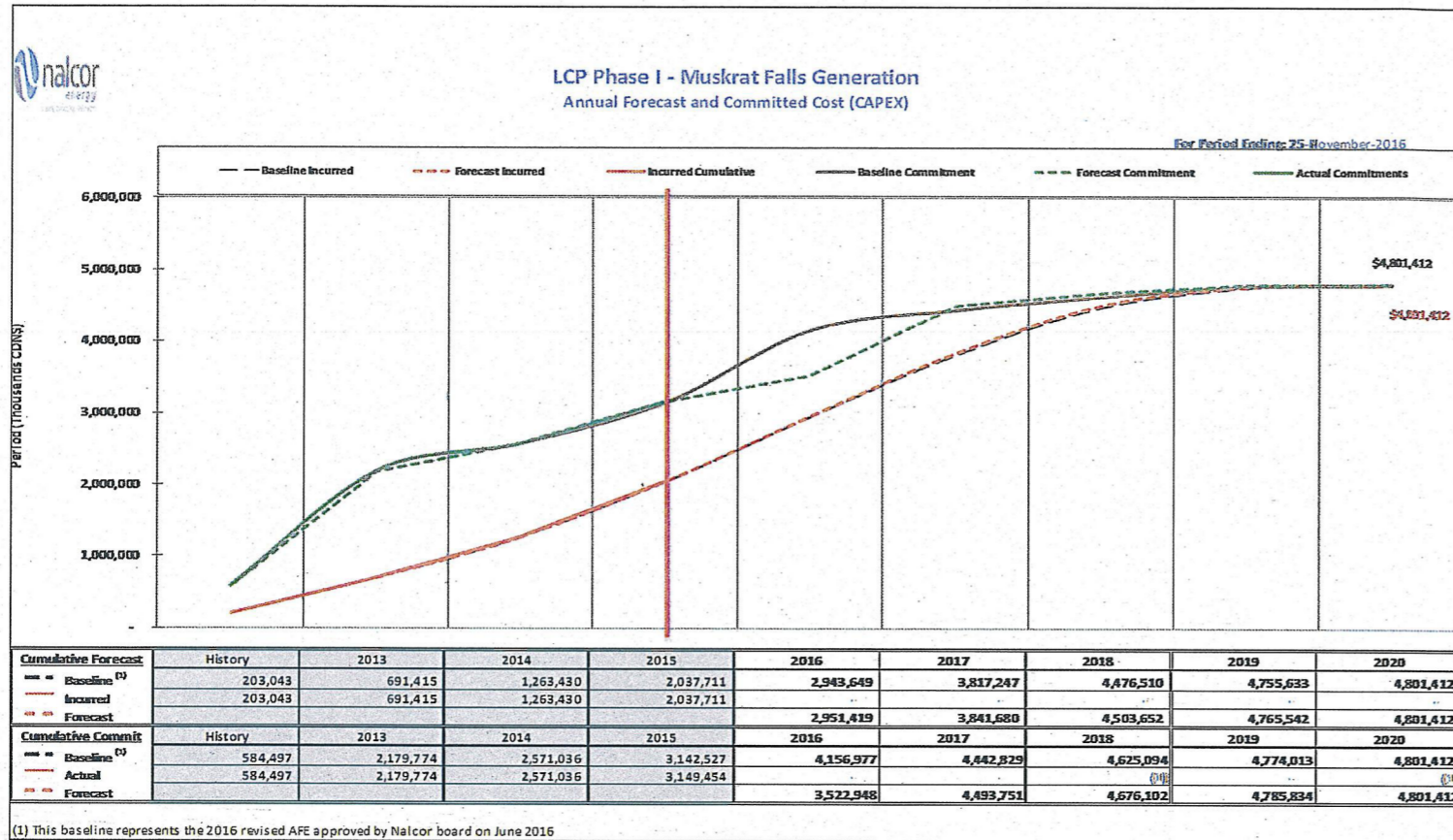
For Period Ending: 25-November-2016



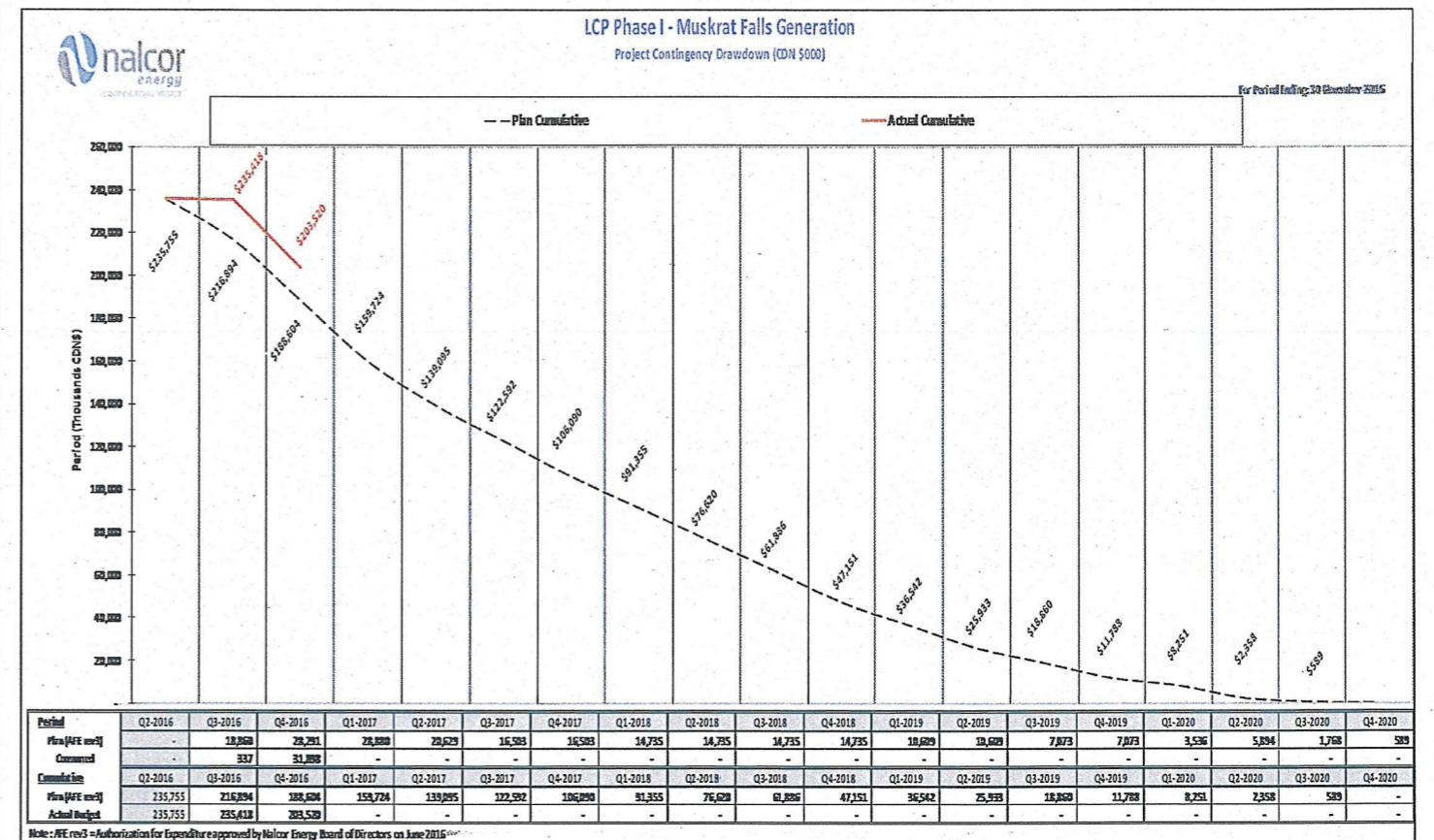
Period	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Baseline	17,873	43,729	58,879	75,429	94,685	120,872	77,585	79,272	102,187	88,772	81,380	65,275
Incurred	17,873	43,729	58,879	75,429	94,685	120,872	109,276	92,120	94,412	63,276	77,989	
Forecast												65,167
Cumulative	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Baseline ⁽¹⁾	17,873	61,602	120,481	195,910	290,594	411,466	489,052	568,324	670,510	759,283	840,663	905,938
Incurred	17,873	61,602	120,481	195,910	290,594	411,466	520,743	612,863	707,275	770,551	848,541	
Forecast												913,708

(1) This baseline represents the 2016 revised AFE approved by Nalcor board on June 2016

LCP Phase I - Muskrat Falls Generation Cost Highlights - November 2016



(1) This baseline represents the 2016 revised AFE approved by Nalcor board on June 2016



Note: AFE rev3 - Authorization for Expenditure approved by Nalcor Energy Board of Directors on June 2016

LCP Phase I - Muskrat Falls Generation Incurred Highlights - November 2016

1. Monthly incurred

Planned Incurred: 81.4 M
 Incurred: 78 M
 Variance: (3.4 M)

Main Causes:

- Mainly due to incurred lower than the project planned baseline for:
 - The North Spur contract due to spending lower than budgeted
 - The BoP contract due to delays in contract award
 - The Log boom installation due to the impoundment delay
 - The T&G contract due to delays in civil works
- This is offset by incurred higher than the project planned baseline for:
 - The North and South Dams due to Incurred adjustment for last period related to total Labour cost

2. Yearly Incurred (2016)

Planned Incurred for 2016: 906 M
 Incurred yearly to date: 848.5 M
 Forecast for 2016: 913.7 M
 Variance (Forecast vs planned) : 7.7 M (0.8%)

Main Causes:

- Mainly due to incurred higher than the project planned baseline for:
 - The Astaldi Contract due to increase in the yearly spending based on the bridge agreement
 - The North and South Dams Contract due to remediation works, winter protection, additional quantities and higher than planned labour cost
- This is offset by incurred lower than the project planned baseline for:
 - The T&G and the Gates contracts due to civil works delays and deferral of anticipated changes that did not materialize
 - The fish habitat Compensation contract due to delays in the contract award
 - The BoP contract due to delays in the contract award
 - The Log Boom contract
 - The North Spur contract due to spending lower than budgeted

LCP Phase I - Muskrat Falls Generation Cost Highlights - November 2016

Major Risk Items (*)

- PH completion after bridging agreement (MFGR183)
- MF General - Construction labour Productivity (MFGR179)
- Uncertainty in Cost Absorption for the Draft Tube Liner Incident (MFGR235) (1.2 M committed to date)
- Commercial exposure in the Andritz contracts due to installation delays of civil works (MFGR226)

Key Issues / Opportunities Under Study > (+/- \$ 1M) (Not in FFC - Early Stage/ Low Accuracy regarding Strategy and Cost impact) (**)

- Muskrat Falls Demonstrations and Protests in October 2016 - Impact of Government agreement, contractor claims (DAN-2259)
- Cost Allocation for MF Accommodations Across Assets (DAN-2256)
- Commercial Exposure on Reimbursable Portion of CH0009 Contract Due to Multi-Season construction of North RCC Dam, Actual labour cost overrunning estimated contractual values and Site geotechnical conditions worse than Baseline, potential Backcharges (MFGR116 / 173 / 237)
- Andritz demobilization after Spillway works (MFGI027)
- Saving on the Final value of the North Spur contract (end of works August 2017)
- Reservoir Debris management (DAN 2212)
- Saving on Fish Habitat Compensation due to Execution Strategy Optimization (DAN 1897)
- Additional Camp Services as a Result of MFG Camp Expansion (DAN-2318)
- Impacts to Log Boom Installation as a Result of the Delay in Winter Impoundment (DAN-2334)
- Additional cleaning of Overflow camp washrooms and bunkbed rooms from twice weekly to every second day

Key Issues / Opportunities Under Study > (+/- \$ 1M) (Part of FFC - Advanced Stage/ High Accuracy regarding Strategy and Cost Impact) (**)

- Repair of Upstream cofferdam and Protection measures of PH and Spillway in the winter (estimate 8 M)

FFC Monthly Variance

- Repair of Upstream cofferdam and Protection measures of PH and Spillway in the winter (+8 M)
- Engagement of Third Party Consultant for Safety Management Systems Review of Astaldi (PCN-681) (+330 K)
- Government Mandated Additional Aquatic Monitoring (PCN-685) (+500K)
- Revised Methylmercury Assessment and Ongoing Consulting Support (PCN-693) (+750 K)
- Additional Clearing Below 25m Elevation Before Reservoir Impoundment (PCN-688) (+200 K)
- Bunkbed Premium and LOA for contractors staff (PCN-694) (+2.6 M)
- Muskrat Falls - Demonstrations and Protests (October 2016) (Various PCNs and Trends) (+3.67 M)
- Wash cars purchase Contract close out (- 344 K)

(*) Risk Items are items that may or may not materialize through the duration of the project, regardless of accounting for them in the budget or not
 (**) Potential Issues are material changes affecting the overall cost value of a package. Their value needs to be offset through the use of Contingency

MF - Generation Cost Report - November 2016

CP	Description	OCB	Scope changes	CCB	Commitments	Outstanding changes	Trends	Unawarded scope	Incurred this period	Incurred to date	Forecast	Forecast variance	Variance
Closed Packages	N/A	747,414,507	-146,151,002	601,263,505	601,209,246	0	-378,720	-1	-344,169	600,830,525	600,830,525	-344,169	432,980
Sub-Total Closed Packages		747,414,507	-146,151,002	601,263,505	601,209,246	0	-378,720	-1	-344,169	600,830,525	600,830,525	-344,169	432,980
CD0509	Construction Telecommunication Services - Phase 2	13,853,071							76,024	5,640,273			
CD0510	Supply and Install Permanent Communication Systems	2,113,728							121,772	140,435			
CD0568	Offsite Infrastructure upgrade	0	1,613,200	1,613,200	1,035,200	0	0	578,000	0	1,026,253	1,613,200	0	0
CH0007	Construction of Intake and Powerhouse, Spillway and Transition Dams	751,987,716							32,383,047	1,063,325,673			
CH0008	Construction of North Spur Stabilization Works	66,427,162	95,758,165	162,185,327	143,925,382	0	0	18,259,946	5,128,463	136,237,320	162,185,328	50,932	0
CH0009	Construction of North and South Dams	127,689,866							12,601,105	136,823,658			
CH0024	Reservoir clearing North	57,310,625	72,795,289	130,105,914	129,318,896	0	656,700	130,318	6,000,000	124,177,724	130,105,914	200,000	0
CH0029	Site restoration	0							0	0			
CH0030	Turbine and generators	205,387,347							649,786	126,343,526			
CH0031	Supply and Install Mechanical and Electrical Auxiliaries (MF)	101,096,139							0	0			
CH0032	Supply and Install Powerhouse Hydro-Mechanical Equipment	104,242,075							3,038,390	150,927,097			
CH0033	Supply and Install Powerhouse Cranes	9,564,462							10,000	7,778,641			
CH0034	Supply and Install Powerhouse Elevator	808,729	-309,733	498,996	498,996	0	0	0	0	49,886	498,996	0	0
CH0049	Supply and Install Log Booms	8,260,217							750,000	6,084,606			
CH0052	Construction of Habitat Compensation Works	11,304,315							2,082,695	4,190,895			
CH0068	Construction power facilities- Balance of works	0							22,730	2,340,204			
CT0319	Construction of 315 kV Hvac Transmission Line (MF to CF)	4,165,814	2,173,546	6,339,360	5,406,589	0	0	932,771	0	3,044,712	6,339,360	0	0
PH0014	Supply of Generator Step-up Transformer	20,549,016	-5,336,346	15,212,670	15,012,670	0	200,000	0	94,958	3,435,818	15,212,670	0	0
PH0015	Supply of Isolated Phase Bus	1,902,522	125,000	2,027,522	950,823	0	0	1,076,699	0	66,803	2,027,522	0	0
PH0016	Supply of Generator Circuit Breakers	5,170,372	-3,455,176	1,715,196	1,715,196	0	0	0	0	358,333	1,715,196	0	0
PH0058	600 V Switchgear	0							0	870,839			
PH0070	MF Accommodation Expansion	0	20,258,574	20,258,574	6,883,349	0	0	13,375,225	128,500	128,500	20,258,574	-2,208,642	0
PT0331	Supply of Tower Hardware - 350 kV HVdc	0	5,568	5,568	5,568	0	0	0	5,011	5,011	5,568	0	0
PT0351	Supply of Wood Poles	0	73,571	73,571	83,526	0	-10,350	395	0	73,176	73,571	0	0
SD0560	Provision of early works and starter camp telecom (MF)	312,456							17,394	1,332,329			
SH0018	Provision of Catering, Housekeeping and Janitorial Services (MF)	122,708,010							3,939,099	91,958,343			
SH0019	Security services	24,344,663							1,087,706	35,188,457			
SH0020	Medical services	20,822,244							446,285	14,816,620			
SH0022	Provision of Fuel Supply and Dispensing Services (MF)	841,507							0	3,077,108			
SH0040	Provision of Garbage Removal and Disposal Services (MF)	2,748,535							150,388	5,935,207			
SH0041	Provision of Ground Transportation Services (HVGB to MF)	14,041,433							667,171	17,074,126			
SH0051	Provision of Buildings Maintenance Services (MF)	26,266,704							263,581	5,164,517			
SH0069	MFG Third Party Engineering Services	0	1,509,069	1,509,069	325,601	0	110,852	1,072,616	25,091	284,521	1,509,069	-70,931	0
SM0700	Provision of General Freight Forwarding Services	2,671,061							182,602	280,337			
SM0701	3rd party quality surveillance and inspection	2,354,658							403,380	4,064,981			
SM0705	Provision of Laboratory Services	34,069,577							215,061	8,466,372			
SM0706	Supply and Maintenance of Project Vehicles	2,474,993							54,773	3,763,017			
SM0707	Provision of Helicopter Services	3,815,802							144,281	2,972,668			
SM0709	Air transportation services	0							120,765	10,317,348			
XF0001	Foreign Exchange Impact	0	21,342,960	21,342,960	17,803,000	0	0	3,539,960	89,240	17,096,593	21,342,960	0	0
XX0002	Other scope of work	2,697,350	6,306,773	9,004,123	6,338,027	0	401,829	2,264,267	26,334	6,092,725	9,004,123	0	0
XX0006	Contingency	226,849,222							0	0			
XX0100	Owner's team, Admin services ,EPCM	128,323,833							6,556,198	232,374,574			
XX0300	Environmental and Regulatory Compliance	9,636,749							168,501	21,764,411			
XX0400	Aboriginal Affairs	10,924,382							563	9,095,336			
XX0900	Commercial and Legal, insurance	15,217,077							612,433	19,227,244			
XXSMFG	MF Site purchase orders	0							15,841	579,335			
ZZ0999	Unallocated budget	10,790,349							54,311	1,426,010			
Sub-Total Open Packages		2,153,743,781	2,046,405,149	4,200,148,931	2,901,894,727	14,493,300	35,884,329	1,248,309,555	78,333,479	2,285,421,558	4,200,581,911	344,169	-432,980
Total MFG		2,901,158,288	1,900,254,148	4,801,412,436	3,503,103,973	14,493,300	35,505,609	1,248,309,554	77,989,310	2,886,252,083	4,801,412,436	0	0

Expected Contingency Draw down (MF)

30-November-2016

PCN #	Description	Value (\$)	Status	Target Commitment Date	Comments	Timeline of Impact
AFE Rev3 Contingency (end of Jun 2016)		235,754,501				
486 rev1	Crawlspace Remediation - Muskrat Falls Dormitories	-105,849	Approved			
659	Stringing of the 138 kV Under-build for 25 kV Construction Power	300,000	Approved			
671	Muskrat Falls River Rescue Boat	383,617	Approved			
672	Additional funds for the TL240 post impoundment	277,000	Approved			
673	Additional claim cost to close CH0003-001	172,566	Approved			
677	Alignment to final value of Admin bldg contract	-1,527,631	Approved			
678	Reservation of Rooms at Hotel North I and Labrador Inn - Accommodations Expansion (for 2016 only)	1,512,034	Approved			
678 rev1	Additional Reservation of Rooms at HVGB (for 2016 only)	1,021,170	Approved			
679	Close out of SM0704	-163,987	Approved			
680	Close out of SM0713	-14,216	Approved			
681	Engagement of Third Party Consultant for Safety Management Systems Review of Astaldi	330,000	Approved			
684	Expansion of Muskrat Falls Accommodations	23,000,000	Approved			
685	Government Mandated Additional Aquatic Monitoring	500,000	Approved			
688	Additional Clearing Below 25m Elevation Before Reservoir Impoundment	200,000	Approved			
690	Muskrat Falls - Demonstrations and Protests (October 2016)	3,000,000	Approved			
693	Revised Methylmercury Assessment and Ongoing Consulting Support	750,000	Approved			
694	Bunkbed Premium and LOA for contractors staff	2,600,000	Approved			
Available Contingency		203,519,797				

PCN #	Description	Value (\$)	Status	Target Commitment Date	Comments	Timeline of Impact
690 rev1	Additional funds required to cover direct cost of MF - Demonstrations and Protests (October 2016)	862,137		December		Short Term
691	Geotechnical Instrumentation	167,378	Under Review	December		Short Term

DAN #	Description	Value (\$)	Status	Target Commitment Date	Comments	Timeline of Impact
1897	Muskrat Falls Fish Habitat Compensation Execution Strategy Optimization	-1,000,000	PCN Required	December		Short Term
2187	25 kV Construction Power Routing to Spillway Electrical Building	26,000	Under Review	December		Short Term
2212	Reservoir Debris Management	TBD	Under Review	January	Need follow up by Cost Controllers	Short Term
2256	Cost Allocation for MF Accommodations Across Assets	-23,000,000	Under Review	January		Short Term
2260	Supply of Survey Equipment and S/I of External Reference Points Required for Long Term Survey Monitoring Program	TBD	Under Review	January	Need follow up by Cost Controllers	Short Term
N/A	Repair of Upstream cofferdam and Protection measures of PH and Spillway in the winter	8,000,000		December	preliminary estimate, we need agreement on the cost split between LCP and Barnard regarding the cofferdam repairs	Short Term
N/A	Additional cleaning of Overflow camp washrooms and bunkbed rooms from twice weekly to every second day	2,000,000		January		Short Term
N/A	Commercial Exposure on CH0009 Contract Due to Multi-Season construction of North RCC Dam, Actual labour cost overrunning estimated contractual values and Site geotechnical conditions	TBD		February	Need follow up by Cost Controllers	Short Term
Non Reserved Contingency (1)		216,464,282				

PCN #	Description	Value (\$)	Status	Comments	Timeline of Impact
2259	Muskrat Falls Demonstrations and Protests - October 2016	TBD	Under Review	to cover claims resulting from the protest in October	Long Term
2318	Additional Camp Services as a Result of MFG Camp Expansion	TBD	PCN Required	Estimate to be finalized Jan/Feb 2017	Long Term
N/A	Saving on the final contract price of CH0008	TBD		Need follow up by Cost Controllers to determine final value	Long Term
N/A	Andritz demobilization after Spillway works	TBD		Need follow up by Cost Controllers	Long Term
N/A	Owner's cost variance	43,598,964		54 M were put in the contingency in the latest re-baseline, MFL requires further update	Long Term
Total Long Term items (2)		43,598,964			

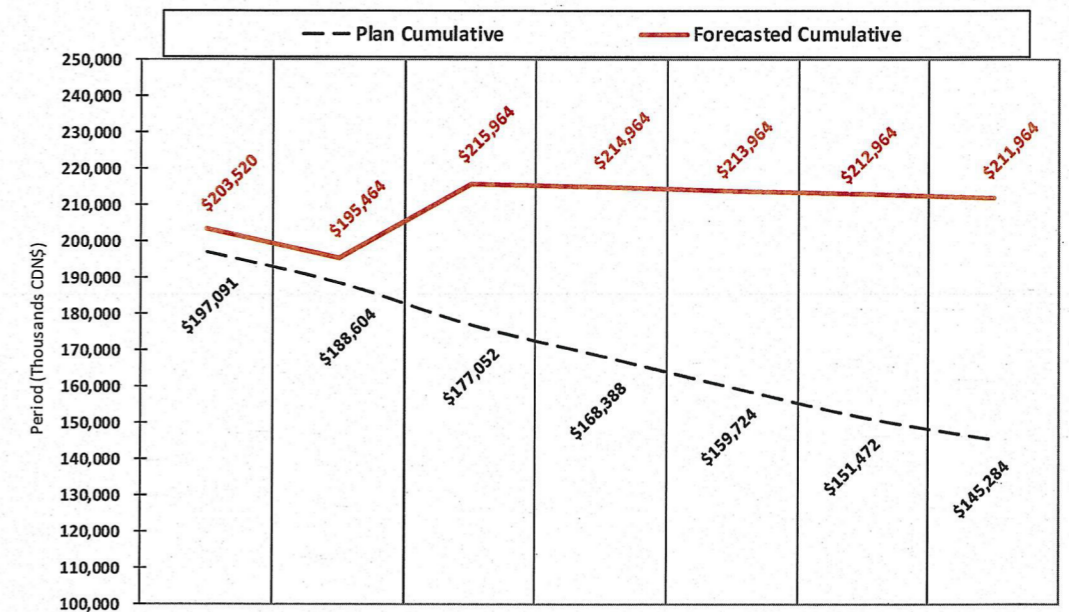
Remaining Contingency (3 = 1-2) 172,865,318

Up to PCN 694 and DAN 2330

Short term = up to 6 month ahead
Long Term = After 6 months

LCP Phase I - Muskrat Falls Generation

Project Contingency Drawdown for the next 6 Months (CDN \$000)



Period Consumed	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Plan (AFE rev3)	8,487	8,487	11,552	8,664	8,664	8,251	6,189
Actual / Forecasted	8,678	8,056	(20,500)	1,000	1,000	1,000	1,000
Cumulative Available	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Plan (AFE rev3)	197,091	188,604	177,052	168,388	159,724	151,472	145,284
Actual / Forecasted	203,520	195,464	215,964	214,964	213,964	212,964	211,964

Note 1: AFE rev3 = Authorization for Expenditure approved by Nalcor Energy Board of Directors on June 2016

December	<ul style="list-style-type: none"> Geotechnical Instrumentation / PCN-691 +\$ 0.17 M Muskrat Falls Fish Habitat Compensation Execution Strategy Optimization DAN-1897 / (\$1 M) 25 kV Construction Power Routing to Spillway Electrical Building DAN-2187 / +\$ 0.03 M Repair of Upstream cofferdam and Protection measures of PH and Spillway in the winter / +\$ 8 M Additional funds required to cover direct cost of MF - Demonstrations and Protests (October 2016) / +\$ 0.86 M
January	<ul style="list-style-type: none"> Reservoir Debris Management / DAN-2212 TBD Additional cleaning of Overflow camp washrooms and bunkbed rooms +\$ 2 M Supply of Survey Equipment and S/I of External Reference Points Required for Long Term Survey Monitoring Program / DAN-2260 TBD Commercial Exposure on CH0009 Contract Due to Multi-Season construction of North RCC Dam, Actual labour cost overrunning estimated contractual values and Site geotechnical conditions TBD Cost Allocation for MF Accommodations Across Assets (\$ 23 M) Contingency +\$ 0.5 M
February	<ul style="list-style-type: none"> Contingency +\$ 1 M
March	<ul style="list-style-type: none"> Contingency +\$ 1 M
April	<ul style="list-style-type: none"> Contingency +\$ 1 M
May	<ul style="list-style-type: none"> Contingency +\$ 1 M

Owner's Cost - Muskrat Falls Generation

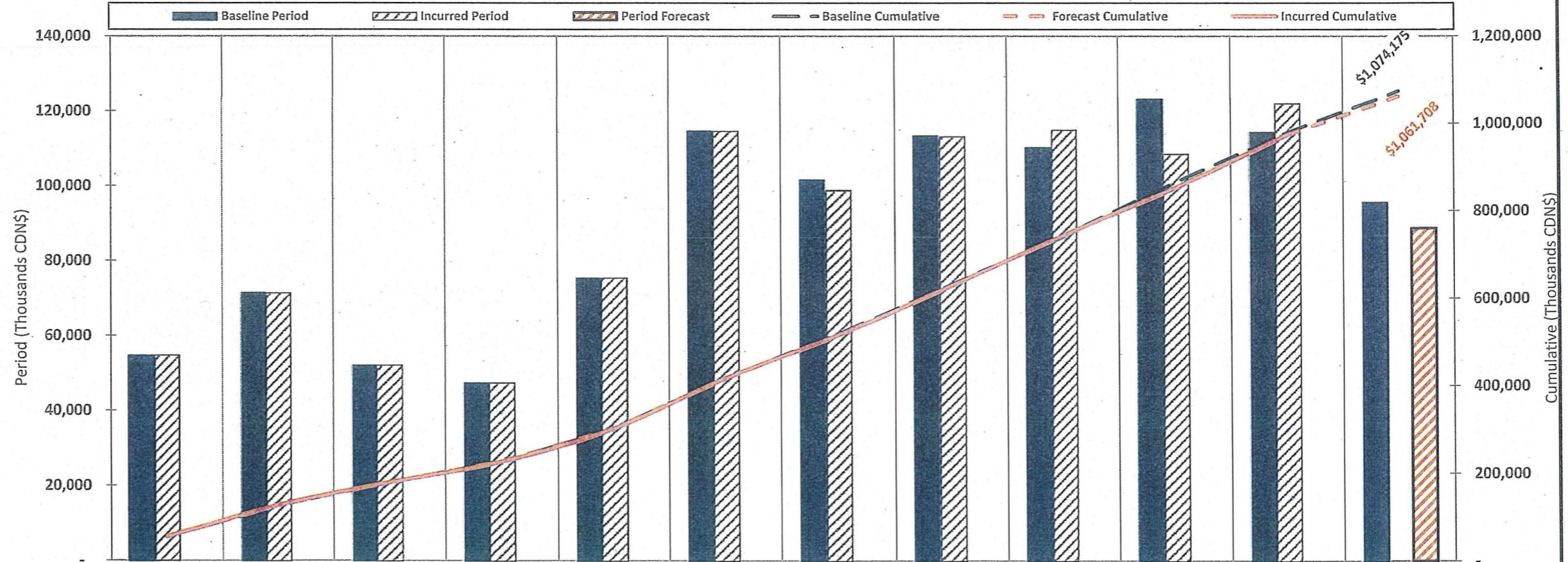
For Period Ending: 25-Nov-2016

ITEM #	SUBCATEGORY	A Current Control Budget (CCB)	Incurred Costs		B Final Forecast Cost (FFC)	C= B - A Variance from CCB	Remarks
			Current Period	Project-to-Date			
100-1	Fee and Services	\$27,948,125	-\$135,163	\$25,330,699	\$27,093,199	-\$854,926	Forecast is based on 65% of LCP cost of \$50,000 per month until End-2018, then 100% of the cost until end of July 2020. ** \$180K incurred this period related to MF Draft Tube incident - (ADB Sgstructural Engineering)**
100-	LCP Communications	\$1,509,689	\$1,768	\$1,114,290	\$1,494,990	-\$14,699	Forecast is based on 65% of LCP cost of \$10,800 per month until End-2018, then 100% of the cost until end of July 2020
100-	LCP Labour Relations External 3rd Party	\$4,361,131	\$42,229	\$1,206,718	\$4,202,968	-\$158,163	Forecast is based on 65% of LCP cost of \$85,000 per month until End-2018, then 100% of the cost until end of July 2020
100-	Safety Incentive Program	\$897,960	\$0	\$265,560	\$864,810	-\$33,150	Forecast is based on 65% of LCP cost of \$17,000 per month until End-2018, then 100% of the cost until end of July 2020
100-	Team Building	\$198,108	\$0	\$12,108	\$188,358	-\$9,750	Forecast is based on 65% of LCP cost of \$5,000 per month until End-2018, then 100% of the cost until end of July 2020
100-	Torbay Road Lease	\$9,765,810	\$64,198	\$2,518,601	\$9,568,601	-\$197,209	Forecast is based on 65% of LCP cost of \$200,000 per month until End-2018, then 100% of the cost until end of July 2020
100-2	Helicopter Services	\$4,626,802	\$144,281	\$2,972,668	\$4,626,802	\$0	Forecast to end of 2018
100-3	Funding	\$714,047	\$0	\$529,854	\$706,104	-\$7,944	Forecast is based on 65% of LCP cost of \$5,000 per month until End-2018, then 100% of the cost until end of July 2020
100-6	Information Technology	\$8,303,297	\$35,274	\$4,653,036	\$8,178,036	-\$125,261	Forecast is based on 65% of LCP cost of \$100,000 per month until End-2018, then 100% of the cost until end of July 2020
100-7	Lease/Rent/Renovations	\$13,068,770	\$619,887	\$7,205,071	\$13,550,071	\$481,301	Forecast is based on 65% of LCP cost of \$180,000 per month until End-2018, then 100% of the cost until end of July 2020
100-	Office Supplies	\$3,719,383	\$8,289	\$1,315,317	\$3,651,567	-\$67,816	Forecast is based on 65% of LCP cost of \$45,000 per month until End-2018, then 100% of the cost until end of July 2020 + 750 k for site purchase orders
100-	Training and Conferences	\$2,114,537	\$6,513	\$1,014,979	\$2,072,479	-\$42,057	Forecast is based on 65% of LCP cost of \$30,000 per month until End-2018, then 100% of the cost until end of July 2020
100-	Utilities	\$1,620,334	\$10,424	\$350,573	\$1,584,323	-\$36,012	Forecast is based on 65% of LCP cost of \$35,000 per month until End-2018, then 100% of the cost until end of July 2020
100-	Integrated Commissioning Support Service	\$3,363,410	\$0	\$64,693	\$3,363,410	\$0	Forecast based on AFE 3.0
100-17	Costs related to Protest Activities	\$2,821,933	\$532,904	\$532,904	\$2,821,933	\$0	
SUB Total 1		\$85,033,336	\$1,330,604	\$49,087,070	\$83,967,650	-\$1,065,686	
100-	Fees and Services (EPCM Salaries Up to 31-Dec-	\$106,049,654	\$0	\$106,049,654	\$106,049,654	\$0	This is to show the labour cost associated with the EPCM consultant prior to intergration. Going forward all labour cost associated with SLI will be incurred under salaries.
100-5	Historical Cost to End of 2007	\$1,352,787	\$0	\$1,352,787	\$1,352,787	\$0	Nothing to forecast. Historical cost to end of 2007.
100-8	Membership/Dues	\$0	\$0	\$0	\$0	\$0	Nothing to Forecast.
100-9	Office Equipment	\$21,768	\$0	\$21,768	\$21,768	\$0	Nothing to Forecast.
100-	Salaries	\$325,093,278	\$5,193,751	\$195,705,708	\$368,692,242	\$43,598,964	FFC Based on MFL until July 2020. Budget was based on a 20 month delay however 54 M were placed into contingency to be held if needed.
100-	Travel and Accommodations	\$20,337,489	\$175,300	\$9,794,261	\$20,369,261	\$31,772	Forecast is based on 65% of LCP cost of \$300,000 per month until End-2018, then 100% of the cost until end of July 2020
100-	Temporary Materials	\$1,100,913	\$824	\$869,918	\$1,094,918	-\$5,995	Forecast cost for Telecomms vehicles of \$5000/Month until Mid-2020. Incurred cost relates to MF Construction Telecommunications.
SUB Total 2		\$453,955,889	\$5,369,874	\$313,794,096	\$497,580,630	\$43,624,741	
Total		\$538,989,225	\$6,700,478	\$362,881,166	\$581,548,280	\$42,559,055	



LCP Phase I - Labrador-Island Transmission Link Current Year Control Budget, Incurred and Forecast Cost (CAPEX)

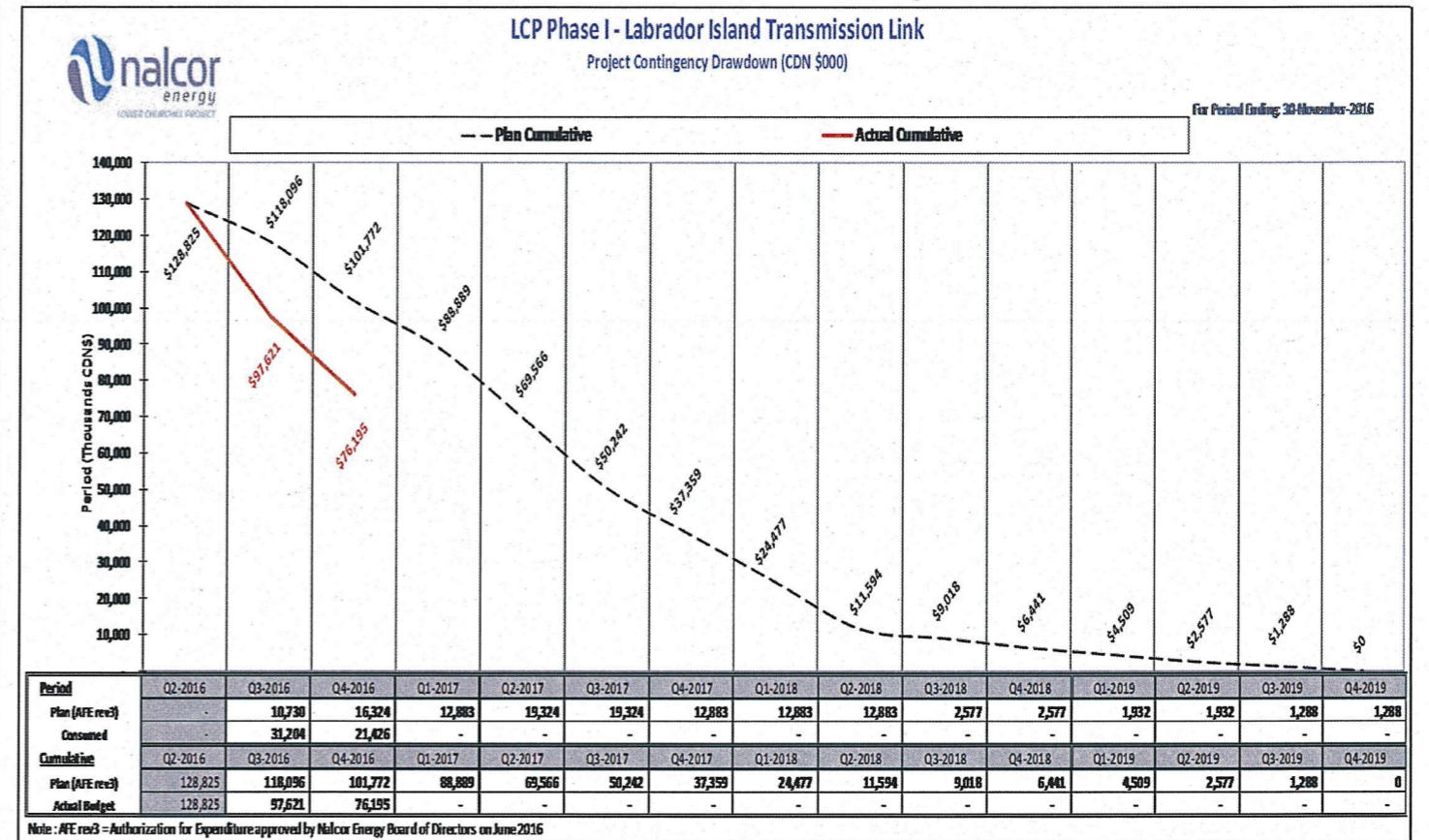
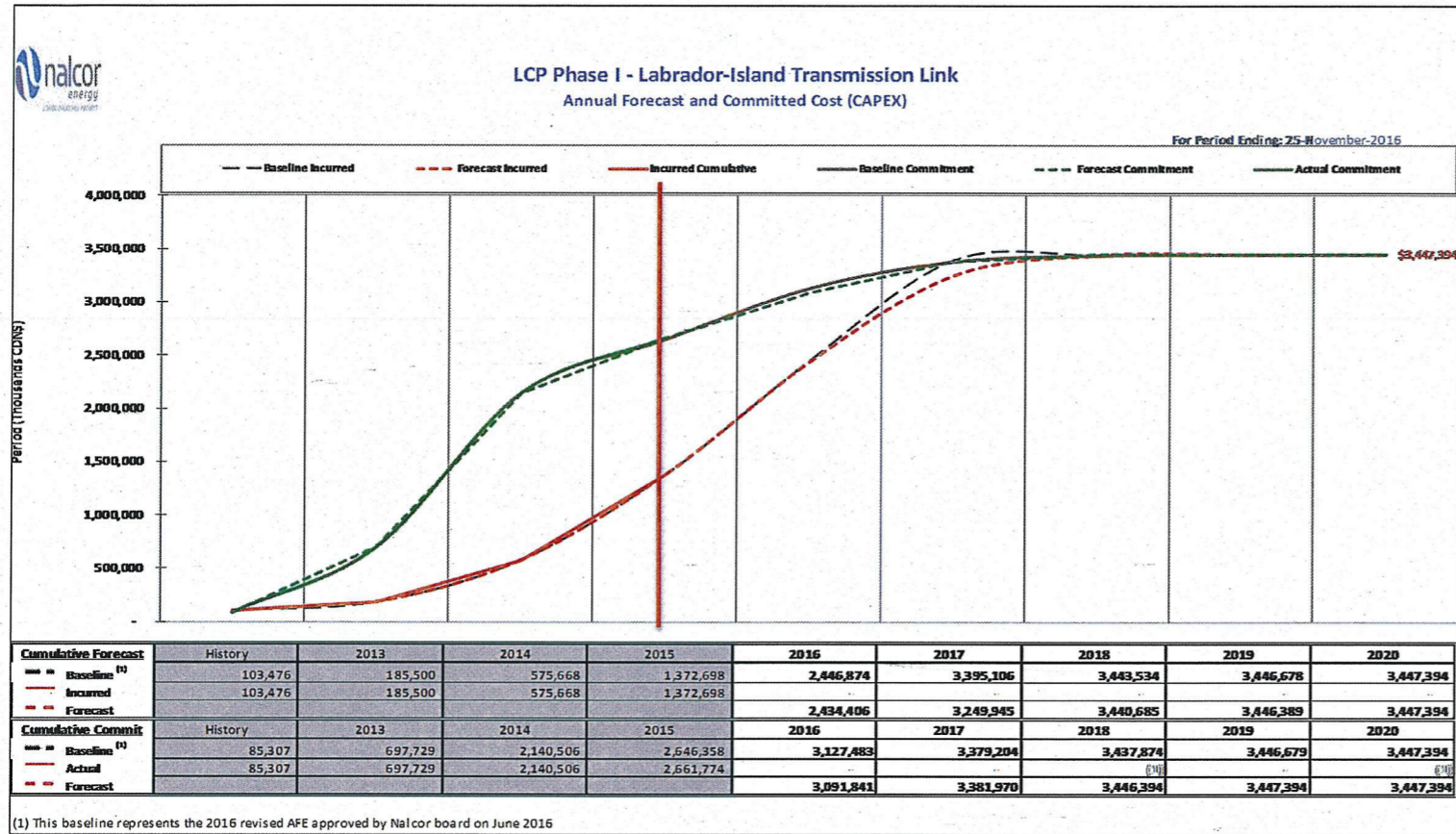
For Period Ending: 25-November-2016



Period	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Baseline	54,786	71,413	52,134	47,380	75,454	114,626	101,624	113,342	110,232	123,231	114,357	95,598
Incurred	54,786	71,413	52,134	47,380	75,454	114,626	98,758	113,121	114,877	108,507	121,983	
Forecast												88,669
Cumulative	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Baseline ⁽¹⁾	54,786	126,199	178,333	225,713	301,166	415,793	517,416	630,759	740,990	864,221	978,578	1,074,175
Incurred	54,786	126,199	178,333	225,713	301,166	415,793	514,551	627,672	742,548	851,055	973,038	
Forecast												1,061,708

(1) This baseline represents the 2016 revised AFE approved by Nalcor board on June 2016

LCP Phase I - Labrador Island Transmission Link Cost Highlights - November 2016



LCP Phase I - Labrador-Island Transmission Link

Incurred Highlights - November 2016

1. Monthly incurred

Planned Incurred: 114.4 M
 Incurred: 122 M
 Variance: 7.6 M

Main Causes:

- Mainly due to incurred higher than the project planned baseline for:
 - o The Switchyards contract due to catch up on previous delays
 - o The construction of the dcTL due to higher than planned cost of the pole conductor loose strand remediation
- This is offset by incurred lower than the project planned baseline for:
 - o The Converters contract due to protest in MF and delays in the transition compounds mobilization
 - o The SOBI section due to spending lower than budgeted
 - o The Owner's Cost

2. Yearly Incurred (2016)

Planned Incurred for 2016: 1,074 M
 Incurred yearly to date: 973 M
 Forecast for 2016: 1,061.7 M
 Variance (Forecast vs planned) : (12.3) M (1.1%)

Main Causes:

- Mainly due to incurred lower than the project planned baseline for:
 - o The Converters installation and civil works
 - o The clearing and access of the dcTL
 - o The Owner's cost
- This is offset by incurred higher than the project planned baseline for:
 - o The SOBI section - Majority of scope completed in 2016

LCP Phase I - Labrador-Island Transmission Link

Cost Highlights - November 2016

Major Risk Items^(*)

- 1- Contractors performance and schedule delays - Alstom in their 3 main contracts and Valard in the HVdc line construction (DCSR130/131/132, OTLR030/047)
- 2- Commercial claims from prime contractors - Alstom and Valard (DCSR134/135, OTLR051)
- 3- Geotechnical conditions and Impact on Foundation installation of the HVdc TL (OTLR029)

Key Issues / Opportunities Under Study > (+/- \$ 1M) (Not in FFC - Early Stage/ Low Accuracy regarding Strategy and Cost impact)^()**

- 1- Cost allocation of the Expansion of Muskrat Falls Accommodations and services across assets (PCN-0684 & DAN-2256)
- 2- Increase in cost of installation of shunt reactor at MF (DAN 666)
- 3- Additional funds for part B scope (Valard)
- 4- Saving on final cost of Helicopter services
- 5- savings on grounding requirements (DAN928/929)
- 6- Construction Access Cost Exposure resulting from increased maintenance and scope growth
- 7- Delays of the Transformer Delivery to Cartwright from Fall 2016 to Spring 2017 (DAN-2255/2259)
- 8- Muskrat Falls Demonstrations and Protests - October 2016 (DAN-2259)
- 9- Commercial claim from GE civil works subcontractors - (Pomerleau has a claim for 63 M, Possible claim from O'Connell in the future)

Key Issues / Opportunities Under Study > (+/- \$ 1M) (Part of FFC - Advanced Stage/ High Accuracy regarding Strategy and Cost Impact)^()**

- 1- Pole conductor loose strand / Stringing Suspension (PCN-0674), 14 M were added this month taking the overall FFC to 85 M
- 2- SOBI Final Construction Costs & Budget Adjustment (DAN-2288)
- 3- Cancellation of additional water requirements at SP (DAN-1535)
- 4- Cancellation of High speed switches (DAN-1966)

FFC Monthly Variance

- 1- Pole conductor loose strand / Stringing Suspension (PCN-0674) (+14 M)
- 2- Cancellation of additional water requirements at SP (DAN-1535) (-2 M)
- 3- Cancellation of High speed switches (DAN-1966) (-4.5 M)
- 4- Saving at Washrooms at Transition Compounds (DAN-1477) (-0.6 M)
- 5- SOBI Final Construction Costs & Budget Adjustment (DAN-2288) (-1.9 M)
- 6- Muskrat Falls - Demonstrations and Protests (October 2016) (PCN-690) (+0.3 M)

(*) Risk Items are items that may or may not materialize through the duration of the project, regardless of accounting for them in the budget or not
 (**) Potential Issues are material changes affecting the overall cost value of a package. Their value needs to be offset through the use of Contingency

Labrador-Island Transmission Link Cost Report - November 2016

CP	Description	OCB	Scope changes	CCB	Commitments	Outstanding changes	Trends	Unawarded scope	Incurred this period	Incurred to date	Forecast	Forecast variance	Variance
Closed Packages	N/A	637,670,594	-542,386,726	95,283,868	95,283,867	0	0	0	0	95,283,866	95,283,867	0	1
Sub-Total Closed Packages		637,670,594	-542,386,726	95,283,868	95,283,867	0	0	0	0	95,283,866	95,283,867	0	1
CD0501	Supply and Install Converters and Cable Transition Compounds	433,082,673							16,317,230	265,995,915			
CD0502	Construction of AC Substations	86,588,315							5,452,171	48,199,124			
CD0504	Civil and Building Works Converters	0							458,176	59,437,419			
CD0508	Supply and Install of Electrode Sites	30,324,143	-11,254,780	19,069,363	14,134,989	0	25,000	4,909,375	0	14,128,856	19,069,364	0	0
CD0509	Construction Telecommunication Services - Phase 2	69,886							0	30,030			
CD0510	Supply and Install Permanent Communication Systems	17,787,248							608,578	8,306,262			
CD0534	Supply and Install Soldiers Pond Synchronous Condensers	80,678,443							5,393,780	123,525,062			
CD0566	Supply of Construction power	0	3,528,719	3,528,719	2,892,602	0	215,394	420,724	12,147	1,335,923	3,528,719	0	0
CH0007	Construction of Intake and Powerhouse, Spillway and Transition Dams	0							-21,747	193,562			
CH0068	Construction power facilities- Balance of works	0							0	13,964			
CT0327	Construction of 350 kV HVdc Transmission Line - (construction)	392,729,526	992,271,918	1,385,001,444	1,294,553,293	0	14,773,636	89,674,514	74,426,171	869,780,676	1,399,001,444	13,531,973	-13,999,999
CT0342	Construction of AC Transmission Lines - Island	14,134,585	7,839,661	21,974,247	21,283,678	0	0	690,569	0	16,188,720	21,974,247	123,876	0
CT0354	HVac Marshaling Yards HVGB	0	2,777,536	2,777,536	2,694,140	0	83,396	0	0	2,693,392	2,777,536	0	0
CT0355	HVdc Marshaling Yards Island	0	15,030,000	15,030,000	11,375,503	0	1,516	3,652,981	402,626	5,445,390	15,030,000	1,030,000	0
PD0537	Supply of Power Transformers AC Substations at CF, MF and SP	7,043,291	7,130,338	14,173,629	13,733,629	0	0	440,000	0	11,410,629	14,173,629	0	0
PT0308	Supply of Steel Tower Foundations - 350 kV HVdc	24,071,995	16,800,611	40,872,606	36,449,335	0	2,673,437	1,749,834	0	36,690,560	40,872,605	0	0
PT0328	Supply of Transmission Line Conductors - 350 kV HVdc	89,474,058	-15,516,489	73,957,569	61,786,632	0	77,743	12,093,193	8,282,325	61,252,529	73,957,568	-3,542,478	1
PT0329	Supply of HVdc Insulators - 350 kV HVdc	52,513,276	-30,797,088	21,716,188	21,647,376	0	46,740	22,072	5,500	21,613,910	21,716,188	0	0
PT0330	Supply of Steel Towers - 350 kV HVdc	63,048,979	-3,557,217	59,491,762	58,248,827	0	332,056	910,881	1,590	58,259,503	59,491,764	0	-2
PT0331	Supply of Tower Hardware - 350 kV HVdc	6,867,096	16,312,727	23,179,823	22,536,761	0	17,792	625,269	98,248	21,512,033	23,179,822	0	0
PT0334	Supply of Steel Wires - 350 kV HVdc	1,914,335	5,674,470	7,588,805	7,583,606	0	5,198	0	0	7,583,606	7,588,804	0	1
PT0351	Supply of Wood Poles	477,982	1,321,237	1,799,219	1,746,466	0	10,174	42,580	0	1,721,266	1,799,219	0	0
PT0352	Supply of Anchor Materials - 350 kV HVdc	22,878,411	-3,696,112	19,182,299	17,096,610	0	0	2,085,688	0	17,096,610	19,182,299	0	0
PT0353	Supply of Optical Ground Wire (OPGW) - 350 kV HVdc	4,285,092	4,560,403	8,845,495	8,641,837	0	120,710	82,948	0	8,641,837	8,845,495	0	-1
PT0356	Supply of Dampers-HVdc	0	1,380,688	1,380,688	1,379,627	0	300	760	0	1,379,627	1,380,687	0	1
SD0560	Provision of early works and starter camp telecom (MF)	0							40,227	530,812			
SD0568	C3 site office supplies	0	22,400	22,400	22,400	0	0	0	0	0	22,400	0	0
SH0018	Provision of Catering, Housekeeping and Janitorial Services (MF)	0							252,275	6,753,670			
SH0022	Provision of Fuel Supply and Dispensing Services (MF)	0							0	1,525,940			
SH0040	Provision of Garbage Removal and Disposal Services (MF)	111,949							25,140	498,218			
SH0041	Provision of Ground Transportation Services (HVGB to MF)	0							338	8,079			
SM0700	Provision of General Freight Forwarding Services	7,591,264							1,415,009	42,716,749			
SM0701	3rd party quality surveillance and inspection	1,177,314							127,065	2,508,292			
SM0706	Supply and Maintenance of Project Vehicles	879,803							92,608	4,186,441			
SM0707	Provision of Helicopter Services	10,730,051							1,149	3,784,156			
SM0709	Air transportation services	0							0	290,622			
XF0001	Foreign Exchange Impact	0	22,840,357	22,840,357	22,840,357	0	0	0	351,028	22,704,244	22,840,357	0	0
XX0001	SOBI	352,014,204	-11,862,306	340,151,898	313,886,352	0	-16,493,426	22,833,900	2,820,061	298,297,528	320,226,825	-1,925,073	19,925,072
XX0002	Other scope of work	58,376,785	-41,613,785	16,763,000	14,499,062	0	10,819	2,253,119	552,251	14,052,209	16,763,000	0	0
XX0006	Contingency	86,627,861							0	0			
XX0100	Owner's team, Admin services, EPCM	92,673,494							4,838,676	163,706,056			
XX0300	Environmental and Regulatory Compliance	15,728,194							1,830	11,410,092			
XX0400	Aboriginal Affairs	1,632,453							0	612,016			
XX0900	Commercial and Legal, insurance	16,565,593							28,392	14,430,342			
XXSMFG	MF Site purchase orders	0							138	1,437			
Sub-Total Open Packages		1,972,078,298	1,380,031,794	3,352,110,092	2,950,001,034	-1,187,680	8,083,889	395,212,850	121,982,983	2,250,453,308	3,352,110,093	0	-1
Total LITL		2,609,748,892	837,645,067	3,447,393,960	3,045,284,901	-1,187,680	8,083,889	395,212,850	121,982,983	2,345,737,174	3,447,393,960	0	0

Expected Contingency Draw down (LIL)

30-November-2016

PCN #	Description	Value (\$)	Status	Target Commitment Date	Comments	Timeline of Impact
AFE Rev3 Contingency (end of Jun 2016)		128,825,308				
630	Civil contracting strategy change and resolution of other outstanding major change orders	1,105,826	Approved			
653	Technical Assistance for Transformer Assembly	98,398	Approved			
674	Pole conductor loose strand / Stringing Suspension	51,000,000	Approved			
678 rev1	Reservation of Rooms at HVGB (for 2016 only)	73,642	Approved			
683	Reservation of Rooms at HVGB (for 2016 only)	52,580	Approved			
690	Muskrat Falls - Demonstrations and Protests (October 2016)	300,000	Approved			
Available Contingency		76,194,862				
PCN #	Description	Value (\$)	Status	Target Commitment Date	Comments	Timeline of Impact
674	Pole conductor loose strand / Stringing Suspension	6,000,000	Created	Mar+Apr	4 M in March and 2 M in April	Short Term
DAN #	Description	Value (\$)	Status	Target Commitment Date	Comments	Timeline of Impact
928/929	savings on grounding requirements	-2,800,000	Under Review	January		Short Term
1535	Cancellation of additional water requirements at SP	-2,000,000	Under Review	December		Short Term
1966	Cancellation of High speed switches	-4,500,000	Under Review	December		Short Term
2072	Inflatable Seals for Synchronous Condenser Machines	200,000	Under Review	January		Short Term
2222	Fire Protection Connected Reserve vs Central Refill Station	-25,000	Under Review	January		Short Term
2225	Geotechnical issues in the DC Yard at Muskrat Falls (Presence of Clay at MF converter site)	900,000	Under Review	January	Need follow up by Cost Controllers	Short Term
2253	Requirement to Seal Revenue Metering	TBD	Under Review	January	Need follow up by Cost Controllers	Short Term
2255	Delays of Transformer Delivery to Cartwright Fall 2016	5,000,000	On Hold	February	Preliminary estimate, letter received from GE for cost of demob only is 1.7 M	Short Term
2256	Cost Allocation for MF Accommodations Across Assets	15,675,000	Under Review	January		Short Term
2288	SOBI Final Construction Costs & Budget Adjustment	-19,925,073	PCN Required	December		Short Term
2289	TGS to Attend FAT for HVdc Wall Bushings	TBD	PCN Required	December	Need follow up by Cost Controllers	Short Term
2299	Single Line Diagrams - Tagging Changes	TBD	Under Review	January	Need follow up by Cost Controllers	Short Term
2302	HVdc Line Material Transfer from Labrador to the Island	TBD	Created	December	Need follow up by Cost Controllers	Short Term
2314	Water Treatment Skid (Overburden wells instead of artesian wells at SP site)	400,000	Under Review	January		Short Term
2320	Muskrat Falls Breezeway Construction	56,200	Under Review	December		Short Term
N/A	Canine searches	150,000	Under Review	December		Short Term
N/A	Geotechnical issues in the AC Yard at Muskrat Falls	TBD	Under Review	January	Need follow up by Cost Controllers	Short Term
N/A	Additional funds for part B scope (Valard)	2,000,000	Under Review	April		Short Term
Non Reserved Contingency (1)		72,563,735				

PCN #	Description	Value (\$)	Status	Comments	Timeline of Impact
666	Increase in cost of installation of shunt reactor at MF	2,500,000		Need follow up by Cost Controllers, estimate	Long Term
674	Pole conductor loose strand / Stringing Suspension	8,000,000	Created	Need follow up by Cost Controllers	Long Term
DAN #	Description	Value (\$)	Status	Comments	Timeline of Impact
1477	Saving on Washrooms at Transition Compounds	-600,000	On Hold		Long Term
2159	Addition of Cable Trench - AC Filters	640,100	Under Review	Estimate, GE did not request any change yet	Long Term
2259	Muskrat Falls Demonstrations and Protests - October 2016	TBD	Under Review	Need follow up by Cost Controllers	Long Term
2326	Savings on HVdc Line Using Modified Guy Anchor Top Bar in NL	TBD	Created	Saving could be over 1,5 M in Installation	Long Term
N/A	Additional funds for access maintenance of the DC line	6,000,000			Long Term
N/A	Saving on final cost of Helicopter services	-1,500,000			Long Term
Total Long Term items (2)		15,040,100			

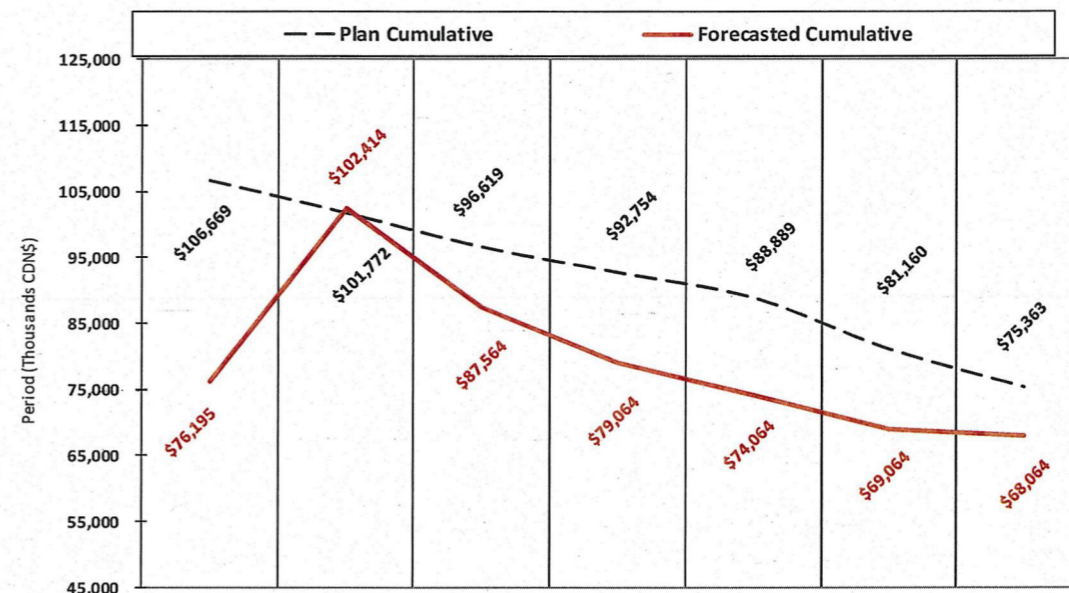
Remaining Contingency (3 = 1-2) 57,523,635

Up to PCN 694 and DAN 2330

Short term = up to 6 month ahead
Long Term = After 6 months

LCP Phase I - Labrador Island Transmission Link

Project Contingency Drawdown for the next 6 months (CDN \$000)



Period Consumed	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Plan (AFE rev3)	4,897	4,897	5,153	3,865	3,865	7,730	5,797
Actual / Forecasted	21,426	(26,219)	14,850	8,500	5,000	5,000	1,000
Cumulative Available	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Plan (AFE rev3)	106,669	101,772	96,619	92,754	88,889	81,160	75,363
Actual / Forecasted	76,195	102,414	87,564	79,064	74,064	69,064	68,064

Note 1: AFE rev3 = Authorization for Expenditure approved by Nalcor Energy Board of Directors on June 2016

December	<ul style="list-style-type: none"> • Cancellation of additional water requirements at SP / DAN-1535 (\$ 2 M) • Cancellation of High speed switches / DAN-1966 (\$ 4.5 M) • SOBI Final Construction Costs & Budget Adjustment / DAN-2288 (\$ 20 M) • TGS to Attend FAT for HVdc Wall Bushings / DAN-2289 TBD • HVdc Line Material Transfer from Labrador to the Island / DAN-2302 TBD • Muskrat Falls Breezeway Construction / DAN-2320 +\$ 0.06 M • Canine searches +\$ 0.15 M
January	<ul style="list-style-type: none"> • Requirement to Seal Revenue Metering / DAN-2253 TBD • Geotechnical issues in the DC Yard at Muskrat Falls (Presence of Clay at MF converter site - piling required) / DAN-2225 +\$ 0.9 M • Geotechnical issues in the AC Yard at Muskrat Falls TBD • Fire Protection Connected Reserve vs Central Refill Station / DAN-2222 (\$ 0.03 M) • Single Line Diagrams - Tagging Changes / DAN-2299 TBD • Water Treatment Skid (Overburden wells instead of artesian wells at SP site) / DAN-2314 +\$ 0.4 M • Inflatable Seals for Synchronous Condenser Machines / DAN-2072 +\$ 0.2 M • savings on grounding requirements / DAN-928/929 (\$ 2.8 M) • Cost Allocation for MF Accommodations Across Assets +\$ 15.7 M • Contingency +\$ 0.5 M
February	<ul style="list-style-type: none"> • Delays of Transformer Delivery to Cartwright Fall 2016 / DAN-2255 +\$ 5 M • Contingency +\$ 1 M
March	<ul style="list-style-type: none"> • Pole conductor loose strand / Stringing Suspension / PCN-674 +\$ 4 M • Contingency +\$ 1 M
April	<ul style="list-style-type: none"> • Pole conductor loose strand / Stringing Suspension / PCN-674 +\$ 2 M • Additional funds for part B scope (Valard) +\$ 2 M • Contingency +\$ 1 M
May	<ul style="list-style-type: none"> • Contingency +\$ 1 M

Owner's Cost -Labrador-Island Transmission Link

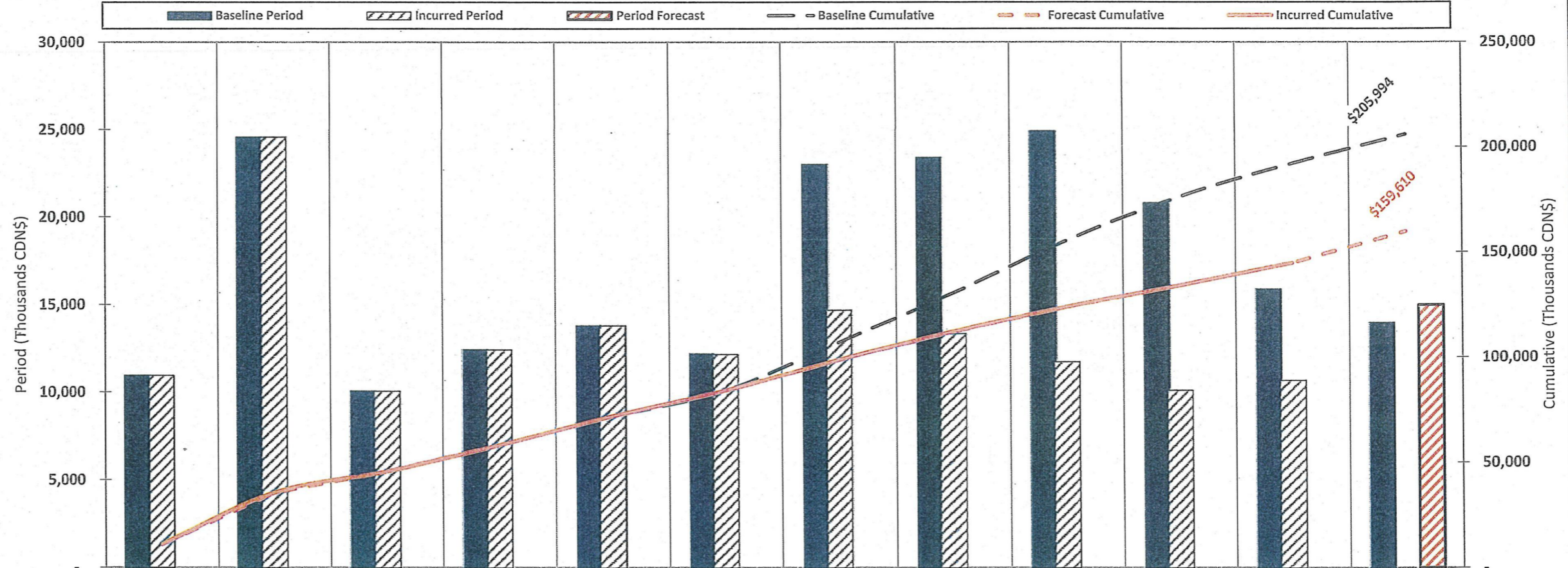
For Period Ending: 25-Nov-2016

ITEM #	SUBCATEGORY	A Current Control Budget (CCB)	Incurred Costs		B Final Forecast Cost (FFC)	C= B - A Variance from CCB	Remarks
			Current Period	Project-to-Date			
100-1	Fee and Services	\$17,976,887	\$256,960	\$13,838,428	\$16,213,428	-\$1,763,459	Forecast is based on 30% of LCP cost of \$50,000 per month until End-2018 + 1 M for open commitments for Land acquisitions and 1 M for future Land cost.
100-1	LCP Communications	\$626,533	\$2,701	\$545,529	\$626,529	-\$4	Forecast is based on 30% of LCP cost of \$10,800 per month until End-2018
100-1	LCP Labour Relations External 3rd Party	\$1,726,832	\$64,507	\$1,024,421	\$1,661,921	-\$64,911	Forecast is based on 30% of LCP cost of \$85,000 per month until End-2018
100-1	Safety Incentive Program	\$410,006	\$6,010	\$310,709	\$438,209	\$28,202	Forecast is based on 30% of LCP cost of \$17,000 per month until End-2018
100-1	Team Building	\$50,007	\$0	\$8,007	\$45,507	-\$4,500	Forecast is based on 30% of LCP cost of \$5,000 per month until End-2018
100-1	Torbay Road Lease	\$3,301,749	\$98,065	\$1,916,245	\$3,416,245	\$114,496	Forecast is based on 30% of LCP cost of \$200,000 per month until End-2018
100-2	Helicopter Services	\$5,629,661	\$1,149	\$3,784,156	\$5,629,661	\$0	Forecast to end of 2018
100-3	Funding	\$282,767	\$0	\$243,527	\$281,027	-\$1,741	Forecast is based on 30% of LCP cost of \$5,000 per month until End-2018
100-6	Information Technology	\$4,174,301	\$53,882	\$3,440,829	\$4,190,829	\$16,529	Forecast is based on 30% of LCP cost of \$100,000 per month until End-2018
100-7	Lease/Rent/Renovations	\$6,237,984	-\$325,437	\$4,725,017	\$6,075,017	-\$162,967	Forecast is based on 30% of LCP cost of \$180,000 per month until End-2018 Increase this month due to new offices leased in Dear Lake
100-10	Office Supplies	\$1,060,960	\$12,662	\$713,410	\$1,050,910	-\$10,050	Forecast is based on 30% of LCP cost of \$45,000 per month until End-2018
100-12	Training and Conferences	\$943,013	\$9,948	\$716,130	\$941,130	-\$1,883	Forecast is based on 30% of LCP cost of \$30,000 per month until End-2018
100-14	Utilities	\$528,562	\$15,923	\$283,807	\$546,307	\$17,745	Forecast is based on 30% of LCP cost of \$35,000 per month until End-2018
100-16	Integrated Commissioning Support Service	\$11,000,000	\$0	\$0	\$11,000,000	\$0	Forecast based on AFE 3.0
100-17	Costs related to Protest Activities	\$0	\$0	\$0	\$0	\$0	
	SUB Total 1	\$53,949,262	\$196,370	\$31,550,216	\$52,116,720	-\$1,832,542	
100-1	FEES AND SERVICES (LPCivil Salaries up to 31-Dec-2012)	\$36,648,267	\$0	\$36,648,267	\$36,648,267	\$0	This is to show the labour cost associated with the LPCivil consultant prior to integration. Going forward all labour cost associated with CIV will be incurred under salaries.
100-5	Historical Cost to End of 2007	\$1,636,566	\$0	\$1,636,566	\$1,636,566	\$0	Nothing to forecast. Historical cost to end of 2007.
100-8	Membership/Dues	\$0	\$0	\$0	\$0	\$0	Nothing to Forecast.
100-9	Office Equipment	\$27,475	\$0	\$27,475	\$27,475	\$0	Nothing to Forecast.
100-11	Salaries	\$210,869,637	\$4,589,714	\$134,893,030	\$212,873,831	\$2,004,194	Based on latest MFL
100-13	Travel and Accommodations	\$6,790,828	\$53,741	\$4,396,594	\$6,646,594	-\$144,234	Forecast is based on 30% of LCP cost of \$300,000 per month until End-2018
100-5	Temporary Materials	\$0	\$0	\$0	\$0	\$0	Nothing to Forecast.
	SUB Total 2	\$255,972,774	\$4,643,455	\$177,601,933	\$257,832,734	\$1,859,960	
	Total	\$309,922,036	\$4,839,825	\$209,152,148	\$309,949,454	\$27,418	



LCP Phase I - Labrador Transmission Assets Current Year Control Budget, Incurred and Forecast Cost (CAPEX)

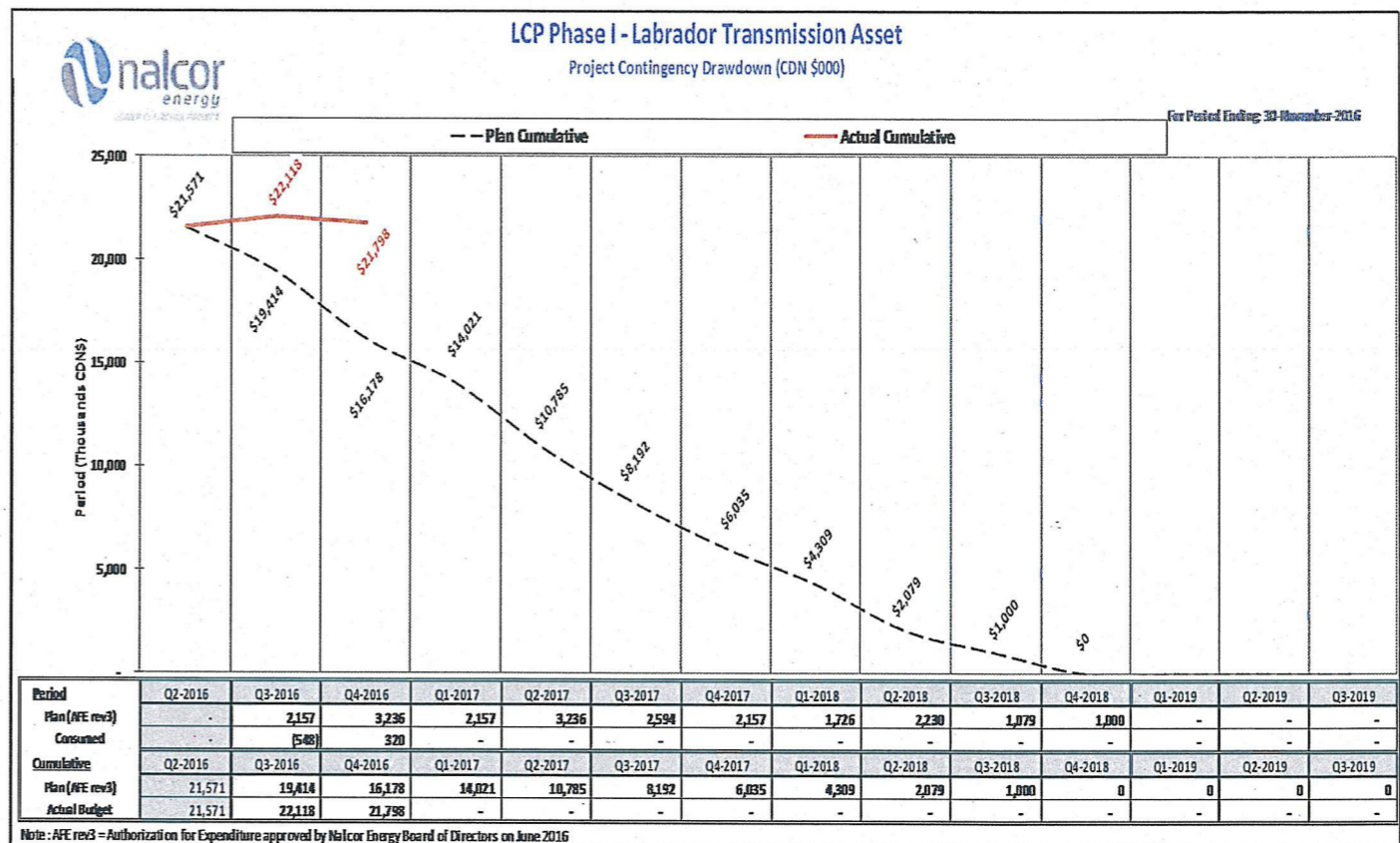
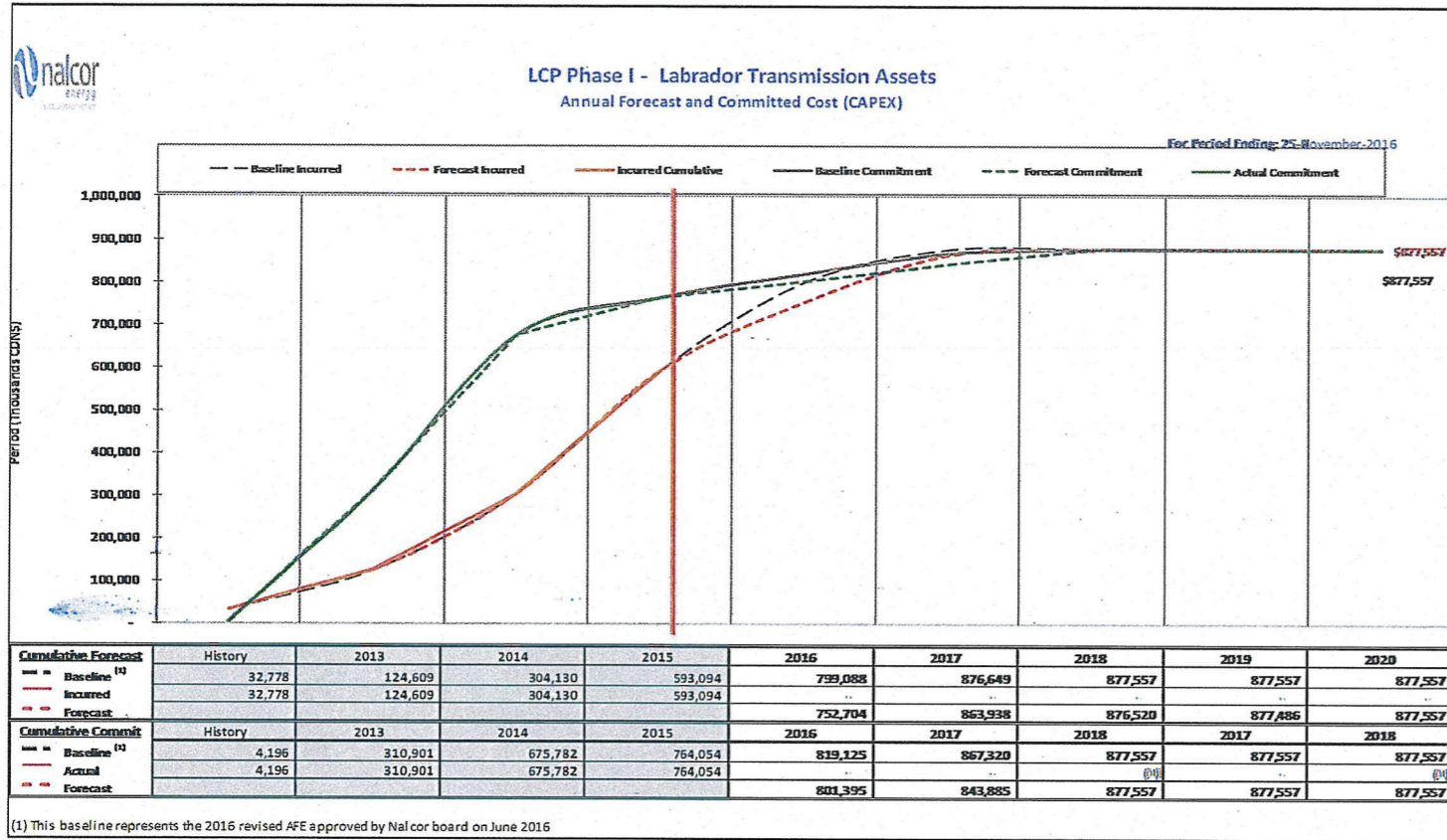
For Period Ending: 25-November-2016



Period	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Baseline	10,950	24,576	10,061	12,433	13,809	12,181	23,004	23,392	24,916	20,794	15,890	13,988
Incurred	10,950	24,576	10,061	12,433	13,809	12,181	14,692	13,364	11,755	10,129	10,676	
Forecast												14,984
Cumulative	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Baseline ⁽¹⁾	10,950	35,526	45,587	58,020	71,829	84,010	107,015	130,407	155,322	176,116	192,006	205,994
Incurred	10,950	35,526	45,587	58,020	71,829	84,010	98,703	112,067	123,822	133,951	144,627	
Forecast												159,610

(1) This baseline represents the 2016 revised AFE approved by Nalcor board on June 2016

LCP Phase I - Labrador Transmission Asset Cost Highlights - November 2016



LCP Phase I - Labrador Transmission Assets

Incurred Highlights - November 2016

1. Monthly incurred

Planned Incurred: 15.9 M
 Incurred: 10.7 M
 Variance: (5.2) M

Main Causes:

- Mainly due to incurred lower than the project planned baseline for:
 - The Owner's Cost
 - Planned Contingency was not used

2. Yearly Incurred (2016)

Planned Incurred for 2016: 206 M
 Incurred yearly to date: 144.6 M
 Forecast for 2016: 159.6 M
 Variance (Forecast vs planned) : (46.4) M (22.5%)

Main Causes:

- Mainly due to incurred lower than the project planned baseline for:
 - The acTL construction due to slippage of the 735 kV scope to early 2017 and a reduction in the contract overall final Forecast cost
 - The Switchyards contract due to delays in the Switchyards installation
 - The Owner's cost
 - Lower than expected use of Contingency

LCP Phase I - Labrador Transmission Assets

Cost Highlights - November 2016

Major Risk Items (*)

- Contractor's performance and schedule delays in the Switchyards contract (DCSR130/131)
- Commercial claims from prime contractor - Alstom (DCSR134)
- Commercial risk due to constraints of the GWAC

Key Issues / Opportunities Under Study > (+/- \$ 1M) (Not in FFC - Early Stage/ Low Accuracy regarding Strategy and Cost impact) ()**

- Cost allocation of the Expansion of Muskrat Falls Accommodations and services across assets (PCN-0684 & DAN-2256)
- Muskrat Falls Demonstrations and Protests - October 2016 (DAN-2259)
- savings on grounding requirements (DAN928/929)
- Saving on Owner's cost
- Commercial claim from GE civil works subcontractors - (Pomerleau has a claim for 63 M)

Key Issues / Opportunities Under Study > (+/- \$ 1M) (Part of FFC - Advanced Stage/ High Accuracy regarding Strategy and Cost Impact) ()**

- Saving on Final contract value to the ac TL construction - preliminary saving of 2.7 M is forecasted
- Cancelling the second pass mulching

FFC Monthly Variance

- Technical Assistance for Transformer Assembly (PCN-653) (+0.05 M)
- Muskrat Falls - Demonstrations and Protests (October 2016) (PCN-690) (+0.2 M)

(*) Risk Items are items that may or may not materialize through the duration of the project, regardless of accounting for them in the budget or not
 (**) Potential Issues are material changes affecting the overall cost value of a package. Their value needs to be offset through the use of Contingency

Labrador Transmission Assets Cost Report - November 2016

CP	Description	OCB	Scope changes	CCB	Commitments	Outstanding changes	Trends	Unawarded scope	Incurred this period	Incurred to date	Forecast	Forecast variance	Variance
Closed Packages	N/A	205,440,121	-131,097,094	74,343,028	74,343,027	0	0	0	0	74,343,029	74,343,027	0	1
Sub-Total Closed Packages		205,440,121	-131,097,094	74,343,028	74,343,027	0	0	0	0	74,343,029	74,343,027	0	1
CD0502	Construction of AC Substations	67,261,289							7,587,524	113,272,764			
CD0504	Civil and Building Works Converters	0							225,000	41,607,590			
CD0509	Construction Telecommunication Services - Phase 2	69,886							1,347	53,027			
CD0510	Supply and Install Permanent Communication Systems	6,039,754							366,711	1,241,397			
CD0566	Supply of Construction power	0	198,445	198,445	187,210	0	5,150	6,085	1,500	116,703	198,445	0	0
CH0007	Construction of Intake and Powerhouse, Spillway and Transition Dams	0							-24,397	146,387			
CH0029	Site restoration	0							0	0			
CH0068	Construction power facilities- Balance of works	0							0	16,464			
CT0319	Construction of 315 kV Hvac Transmission Line (MF to CF)	200,262,088	70,199,181	270,461,269	263,541,895	0	312,112	3,907,262	0	258,244,057	267,761,268	-150,985	2,700,000
CT0327	Construction of 350 kV HVdc Transmission Line - (construction)	0	396,697	396,697	396,697	0	0	0	0	402,816	396,697	0	0
CT0341	Clearing of ROW Hvac TL	30,703,771	14,108,158	44,811,929	42,786,329	0	0	25,600	0	42,786,329	42,811,929	0	2,000,000
CT0354	HVac Marshaling Yards HVGB	0	2,563,879	2,563,879	2,486,899	0	76,980	0	0	2,486,898	2,563,879	0	-1
PD0537	Supply of Power Transformers AC Substations at CF, MF and SP	24,050,155	2,610,266	26,660,421	26,537,408	0	0	123,013	122,710	26,614,194	26,660,421	46,227	0
PT0300	Supply of conductors - Hvac	20,880,983	-7,097,166	13,783,817	13,543,612	0	0	240,205	0	13,543,612	13,783,817	0	0
PT0302	Supply of Towers - Hvac	24,434,086	-3,437,717	20,996,369	20,996,369	0	0	0	0	20,800,603	20,996,369	0	0
PT0303	Supply of Hardwares - Hvac	12,835,064	-3,964,973	8,870,091	8,835,804	33,735	0	552	16,315	8,797,004	8,870,091	33,735	0
PT0304	Supply of OPGW - Hvac	2,472,133	-592,632	1,879,501	1,761,536	0	55,282	62,683	0	1,761,536	1,879,501	0	0
PT0307	Supply of Steel tower foundations - Hvac	5,522,873	2,002,579	7,525,452	7,523,018	2,434	0	0	0	7,523,018	7,525,452	0	0
PT0326	Supply of steel wires - Hvac	2,885,849	760,628	3,646,477	3,642,592	0	3,886	0	0	3,642,592	3,646,477	0	0
PT0330	Supply of Steel Towers - 350 kV HVdc	0	10,490	10,490	0	0	0	10,490	0	0	10,490	0	0
PT0331	Supply of Tower Hardware - 350 kV HVdc	0	12,178	12,178	12,178	0	0	0	0	11,569	12,178	0	0
PT0335	Supply of Anchor Materials - 315 kV HVac	1,988,073	1,528,391	3,516,464	3,514,245	0	0	2,220	0	3,514,245	3,516,464	0	0
SD0560	Provision of early works and starter camp telecom (MF)	0							5,466	456,355			
SD0564	CF camp services	103,824	16,535,837	16,639,661	13,355,865	0	917,134	2,366,663	374,580	11,770,974	16,639,662	0	-1
SD0568	C3 site office supplies	0	14,000	14,000	14,000	0	0	0	403	2,090	14,000	0	0
SH0018	Provision of Catering, Housekeeping and Janitorial Services (MF)	0							148,162	1,701,677			
SH0022	Provision of Fuel Supply and Dispensing Services (MF)	0							0	628,275			
SH0040	Provision of Garbage Removal and Disposal Services (MF)	0							14,765	292,604			
SH0041	Provision of Ground Transportation Services (HVGB to MF)	0							198	4,745			
SM0700	Provision of General Freight Forwarding Services	528,515							1,052	14,074,072			
SM0701	3rd party quality surveillance and inspection	1,146,823							9,050	1,056,521			
SM0706	Supply and Maintenance of Project Vehicles	173,100							204	268,783			
SM0707	Provision of Helicopter Services	748,712							-22,500	372,278			
SM0709	Air transportation services	0							0	346,325			
XF0001	Foreign Exchange Impact	0	1,856,540	1,856,540	1,625,000	0	0	231,540	-1,245	1,585,213	1,856,540	0	0
XT0001	Reimbursement for GWF claim - C4	0	-12,000,000	-12,000,000	0	0	0	-12,000,000	0	0	-12,000,000	0	0
XX0002	Other scope of work	11,416,285	276,397	11,692,682	10,129,667	0	0	1,563,015	0	8,069,624	11,692,682	0	0
XX0006	Contingency	54,375,314							0	0			
XX0100	Owner's team, Admin services ,EPCM	14,694,328							1,799,892	72,534,787			
XX0300	Environmental and Regulatory Compliance	699,910							0	813,975			
XX0400	Aboriginal Affairs	188,302							0	0			
XX0900	Commercial and Legal, insurance	2,661,245							49,138	2,814,995			
XXSMFG	MF Site purchase orders	0							-53	990			
Sub-Total Open Packages		486,142,364	317,071,985	803,214,349	728,739,592	-671,395	7,598,935	67,547,218	10,675,823	663,377,088	803,214,349	0	-1
Total LTA		691,582,486	185,974,891	877,557,377	803,082,619	-671,395	7,598,935	67,547,218	10,675,823	737,720,117	877,557,376	0	0

Expected Contingency Draw down (LTA)

30-November-2016

PCN #	Description	Value (\$)	Status	Target Commitment Date	Comments	Timeline of Impact
AFE Rev3 Contingency (end of Jun 2016)		21,570,926				
630	Civil contracting strategy change and resolution of other outstanding major change orders	-1,105,826	Approved			
653	Technical Assistance for Transformer Assembly	265,580	Approved			
659	Stringing of the 138 kV Under-build for 25 kV Construction Power	338,929	Approved			
678 rev1	Reservation of Rooms at HVGB (for 2016 only)	43,251	Approved			
683	Reservation of Rooms at HVGB (for 2016 only)	30,880	Approved			
690	Muskkrat Falls - Demonstrations and Protests (October 2016)	200,000	Approved			
Available Contingency		21,798,112				
DAN #	Description	Value (\$)	Status	Target Commitment Date	Comments	Timeline of Impact
928/929	savings on grounding requirements	-2,000,000	Under Review	January		Short Term
2086	Erosion control is required on the HVac line (CT0319) at a number of locations	250,000	Created	January	Estimate, need follow up by Cost controllers	Short Term
2176	Requirement of Ground Grid Resistance Measurement at Churchill Falls	67,780	Under Review	December		Short Term
2210	NCR Adjustment on CT0319-001 for grout issue with some rock anchors	-274,017	Under Review	December		Short Term
2222	Fire Protection Connected Reserve vs Central Refill Station	-50,000	Under Review	December		Short Term
2234	Removal of Culverts AR-127 on HVac line	50,000	Under Review	December		Short Term
2246	Review of OPGW test results review on HVac line	20,000	Under Review	December		Short Term
2253	Requirement to Seal Revenue Metering	TBD	Under Review	January	need follow up by Cost controllers	Short Term
2256	Cost Allocation for MF Accommodations Across Assets	7,325,000	Under Review	January		Short Term
2267	Installation of Interposing CT's within Protection Panels at Churchill Falls	TBD	Created	February	need follow up by Cost controllers	Short Term
2311	Additional back fill for the 735kV line work in churchill	TBD	Created	February	need follow up by Cost controllers	Short Term
2316	Change in foundation to Micropile on 735 kV CF	776,458	Under Review	January		Short Term
2328	Additional Trailer at CF	57,733	Created	January		Short Term
2330	Placement Temporary Fence During GWAC Season	TBD	Created	December		Short Term
N/A	Cancelling the second pass mulching	-2,000,000		December		Short Term
Non Reserved Contingency (1)		15,075,158				

PCN #	Description	Value (\$)	Status	Comments	Timeline of Impact
DAN #	Description	Value (\$)	Status	Comments	Timeline of Impact
N/A	Overall saving on the AC line construction	-4,000,000			Long Term
2259	Muskkrat Falls Demonstrations and Protests - October 2016	TBD	Under Review	Need follow up by Cost Controllers	Long Term
2329	Spare Relay for CF(L)Co	TBD	Created		Long Term
N/A	Owner's cost variance	-8,180,357		MFL at end of September	Long Term
Total Long Term items (2)		-12,180,357			

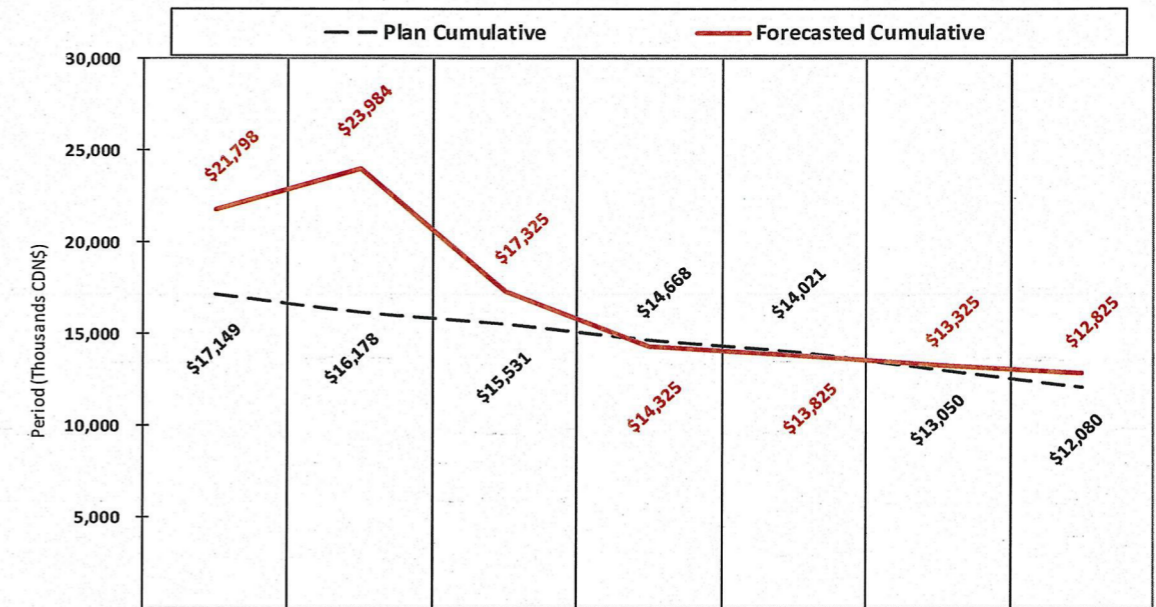
Remaining Contingency (3 = 1-2) 27,255,515

Up to PCN 694 and DAN 2330

Short term = up to 6 month ahead
Long Term = After 6 months

LCP Phase I - Labrador Transmission Assets

Project Contingency Drawdown for the next 6 Months (CDN \$000)



Period Consumed	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Plan (AFE rev3)	971	971	647	863	647	971	971
Actual / Forecasted	320	(2,186)	6,659	3,000	500	500	500
Cumulative Available	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Plan (AFE rev3)	17,149	16,178	15,531	14,668	14,021	13,050	12,080
Actual / Forecasted	21,798	23,984	17,325	14,325	13,825	13,325	12,825

Note 1: AFE rev3 = Authorization for Expenditure approved by Nalcor Energy Board of Directors on June 2016

December	<ul style="list-style-type: none"> NCR Adjustment on CT0319-001 for grout issue with some rock anchors / DAN-2210 (\$ 0.3) M Requirement of Ground Grid Resistance Measurement at Churchill Falls / DAN-2176 +\$ 0.07 M Fire Protection Connected Reserve vs Central Refill Station / DAN-2222 (\$ 0.05 M) Cancellation of the second pass mulching (DAN required) (\$ 2 M) Review of OPGW test results review on HVac line / DAN-2246 +\$ 0.02 M Removal of Culverts AR-127 on HVac line / DAN-2234 +\$ 0.05 M Placement Temporary Fence During GWAC Season / DAN-2330 TBD
January	<ul style="list-style-type: none"> Requirement to Seal Revenue Metering / DAN-2253 TBD Change in foundation to Micropile on 735 kV CF / DAN-2316 +\$ 0.78 M Additional Trailer at CF / DAN-2328 +\$ 0.06 M Erosion control is required on the HVac line at a number of locations / DAN-2086 +\$ 0.25 M savings on grounding requirements / DAN-928/929 (\$ 2 M) Cost Allocation for MF Accommodations Across Assets +\$ 7.3 M Contingency +\$ 0.25 M
February	<ul style="list-style-type: none"> Additional back fill for the 735kV line work in churchill / DAN-2311 TBD Installation of Interposing CT's within Protection Panels at Churchill Falls / DAN-2267 TBD Contingency +\$ 0.5 M
March	<ul style="list-style-type: none"> Contingency +\$ 0.5 M
April	<ul style="list-style-type: none"> Contingency +\$ 0.5 M
May	<ul style="list-style-type: none"> Contingency +\$ 0.5 M

Owner's Cost - Labrador Transmission Assets

For Period Ending: 25-Nov-2016

ITEM #	SUBCATEGORY	A Current Control Budget (CCB)	Incurred Costs		B Final Forecast Cost (FFC)	C= B - A Variance from CCB	Remarks
			Current Period	Project-to-Date			
100-1	Fee and Services	\$5,066,242	\$11,536	\$4,635,759	\$4,698,259	-\$367,983	Forecast is based on 5% of LCP cost of \$50,000 per month until End-2018 **Current incurred of \$70K is part of approx \$325K related to MacInnis Cooper (Legal) to be transferred from Cat 100 to cat 900 in Oct reporting period**
100-2	LCP Communications	\$162,532	\$425	\$148,940	\$162,440	-\$92	Forecast is based on 5% of LCP cost of \$10,800 per month until End-2018
100-3	LCP Labour Relations External 3rd Party	\$423,654	\$10,145	\$306,476	\$412,726	-\$10,927	Forecast is based on 5% of LCP cost of \$85,000 per month until End-2018
100-4	Safety Incentive Program	\$77,761	\$0	\$67,862	\$89,112	\$11,351	Forecast is based on 5% of LCP cost of \$17,000 per month until End-2018
100-5	Team Building	\$8,969	\$0	\$1,969	\$8,219	-\$750	Forecast is based on 5% of LCP cost of \$5,000 per month until End-2018
100-6	Torbay Road Lease	\$1,223,060	\$15,423	\$989,377	\$1,239,377	\$16,317	Forecast is based on 5% of LCP cost of \$200,000 per month until End-2018
100-2	Helicopter Services	\$613,306	-\$22,500	\$372,278	\$613,306	\$0	Forecast to end of 2018
100-3	Funding	\$83,686	\$0	\$77,120	\$83,370	-\$316	Forecast is based on 5% of LCP cost of \$5,000 per month until End-2018
100-6	Information Technology	\$924,880	\$8,474	\$801,634	\$926,634	\$1,754	Forecast is based on 5% of LCP cost of \$100,000 per month until End-2018
100-7	Lease/Rent/Renovations	\$1,614,526	-\$95,016	\$1,318,541	\$1,543,541	-\$70,985	Forecast is based on 5% of LCP cost of \$180,000 per month until End-2018
100-10	Office Supplies	\$278,143	\$1,991	\$219,932	\$276,182	-\$1,961	Forecast is based on 5% of LCP cost of \$45,000 per month until End-2018
100-12	Training and Conferences	\$236,517	\$1,565	\$198,467	\$235,967	-\$550	Forecast is based on 5% of LCP cost of \$30,000 per month until End-2018
100-14	Utilities	\$97,860	\$2,504	\$56,606	\$100,356	\$2,495	Forecast is based on 5% of LCP cost of \$35,000 per month until End-2018
100-16	Integrated Commissioning Support Service	\$10,451,497	\$0	\$0	\$10,451,497	\$0	Forecast based on AFE 3.0
100-17	Costs related to Protest Activities	\$0	\$0	\$0	\$0	\$0	
SUB Total 1		\$21,262,632	-\$65,452	\$9,194,961	\$20,840,985	-\$421,647	
100-11	Fees and Services (LCP Civil Salaries up to 31-Dec-2012)	\$31,404,632	\$0	\$31,404,632	\$31,404,632	\$0	This is to show the labour cost associated with the EPCM consultant prior to intergration. Going forward all labour cost associated with SLI will be incurred under salaries.
100-5	Historical Cost to End of 2007	\$157	\$0	\$157	\$157	\$0	Nothing to forecast. Historical cost to end of 2007.
100-8	Membership/Dues	\$0	\$0	\$0	\$0	\$0	Nothing to Forecast.
100-9	Office Equipment	\$188	\$0	\$188	\$188	\$0	Nothing to Forecast.
100-11	Salaries	\$91,311,176	\$1,811,499	\$67,933,582	\$83,130,819	-\$8,180,357	Based on latest MFL
100-13	Travel and Accommodations	\$1,950,527	\$31,345	\$1,572,605	\$1,947,605	-\$2,922	Forecast is based on 5% of LCP cost of \$300,000 per month until End-2018
100-15	Temporary Materials	\$0	\$0	\$0	\$0	\$0	Nothing to Forecast.
SUB Total 2		\$124,666,680	\$1,842,844	\$100,911,164	\$116,483,401	-\$8,183,279	
Total		145,929,312	1,777,392	\$110,106,124	\$137,324,386	-\$8,604,926	