

NALCOR ENERGY
ONE HUNDRED AND TWELFTH MEETING OF BOARD OF DIRECTORS

Boardroom, Sixth Level
Hydro Place
St. John's, NL

Friday
September 29, 2017
11:00 am

Conference Call Number: 1-877-216-4736
Conference Code: 615 076 8825#

AGENDA

1. Constitution of the Meeting:
 - * Chairperson – Brendan Paddick
 - * Secretary – Peter Hickman
 - * Notice of meeting sent on September 8, 2017
2. Safety Moment
3. Verification of the [Minutes of the 111th Meeting](#) of the Board held on August 8, 2017 ([RESOLUTION](#))
4. Business Arising
5. [Letter from Premier to Chairperson re ATIPP request](#)
6. ATIPPA – Confirmation of CEO's Certifications ([RESOLUTIONS](#))
7. Board Committee Reports
 - 7.1 HR & Compensation Committee
 - 7.2 Safety, Health, Environment & Community Committee
 - 7.3 Governance Committee
 - 7.3.1 [Governance Committee Mandate](#) ([RESOLUTION](#))
 - 7.3.2 [Human Resources & Compensation Committee Mandate](#) ([RESOLUTION](#))
 - 7.3.3 [Safety, Health, Environment & Community Committee Mandate](#) ([RESOLUTION](#))
 - 7.3.4 [Amendment to Articles re: Super Independent Directors](#) ([RESOLUTIONS](#))
 - 7.4 Audit Committee
 - 7.4.1 Appointment of Auditor ([RESOLUTION](#))
 - 7.4.2 Remuneration of Auditor for 2017 ([RESOLUTION](#))
8. Financial Update
 - 8.1 [August Monthly Performance Summary](#)
9. [Parental Guarantee for Nalcor Energy Marketing](#) ([RESOLUTION](#))
10. Executive Updates
 - 10.1 Chief Executive Officer
 - 10.2 President, [Newfoundland and Labrador Hydro](#)
 - 10.3 Executive Vice President, [Corp. Services & Offshore Development](#)
 - 10.4 Executive Vice President, [Power Development](#)
 - 10.5 Executive Vice President, [Power Supply](#)
11. Engagement with HQ re Protection Systems at CF Plant
12. Pre-Muskrat Energy Purchases
13. Other Business
14. For Information:
 - 14.1 [SHE Compliance Certificate](#)
 - 14.2 [LCP Environmental Compliance Certificate](#)
15. Date for Next Meeting
 - * November 7, 2017
16. In Camera Session
17. Termination

MINUTES OF THE ONE HUNDRED AND ELEVENTH 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, AUGUST 8, 2017 AT NOON

- Present in person:** B. Paddick, Chair
C. Hickman, Member
S. Marshall, Member
D. Oake, Member
E. Turpin, Member
B. Maynard, Member
D. Molloy, Member
- Present by phone:** J. Green, Member
A. M. Hann, Member
- Absent:** M. MacLeod, Member
J. Hillyard, Member
- Present by Invitation:** 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 (by phone)
D. Sturge, Executive VP Finance and CFO
- Secretary:** P. Hickman

1459. CONSTITUTION OF THE MEETING

Notice for the meeting was sent to all members of the Board on July 24, 2017. A quorum of Directors being present, the Chairperson declared the meeting duly called and validly constituted for the transaction of business.

1460. SAFETY MOMENT

Mr. Haynes provided a safety moment relating to hearing loss.

1461. VERIFICATION OF MINUTES

A copy of the minutes of the **ONE HUNDRED and TENTH** meeting of the Board of Directors held on June 21, 2017, was included in the meeting papers circulated prior to the meeting.

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

THAT the minutes of the **ONE HUNDRED AND TENTH** meeting of the Board of Directors of Nalcor Energy held June 21, 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.

1462. BUSINESS ARISING

1463. Transport of Transformers to Muskrat Falls Site

Mr. MacIsaac provided an update to the Board on the progress being made with respect to the transport of the transformers from the Island to the Muskrat Falls site through the Community of Cartwright on the Labrador coast. He stated that four of the seven transformers are at the site with two in their final position. The other three transformers are on a barge at Bay Bulls ready to commence the voyage to Cartwright when weather permits. He stated that there had been no safety incidents nor incidents involving protestors. Mr. MacIsaac stated that there has been close cooperation between all parties with respect to the RCMP's involvement in the movement of the transformers.

1464. Reservoir Level

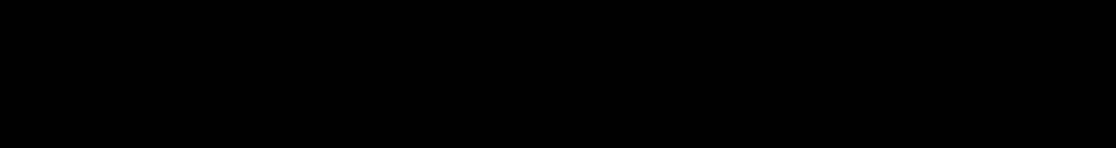
Mr. Bennett provided an update with respect to the level of the reservoir associated with the Muskrat Falls site. He noted the correspondence that had been distributed to the Board members involving the SNC-Lavalin technical advisor with respect to this matter. He stated that SNC-Lavalin's advice was to

stop reducing the reservoir level to guard against further erosion which has been noted upstream of the plant, as this could result in landslides. A conference call was held involving SNC-Lavalin officials, Nalcor, Government and representatives of the three Aboriginal groups in Labrador. The Nunatsiavut Government was not in agreement with the position that there should be no further reductions in the reservoir level and they have taken the information away for further consideration.

Mr. Marshall provided further information on the status of this matter. He noted that one Methylmercury Report has been prepared since the raising of the reservoir levels and it shows there to be no increase in the level of methylmercury. This Report was prepared by Nalcor's Contractor, with appropriate review by other technical advisors.

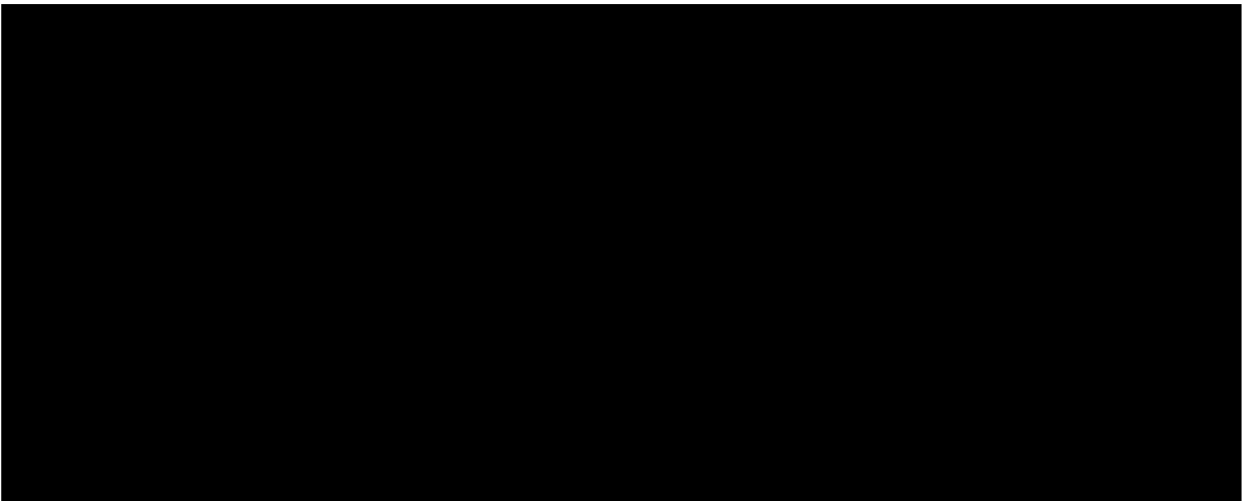
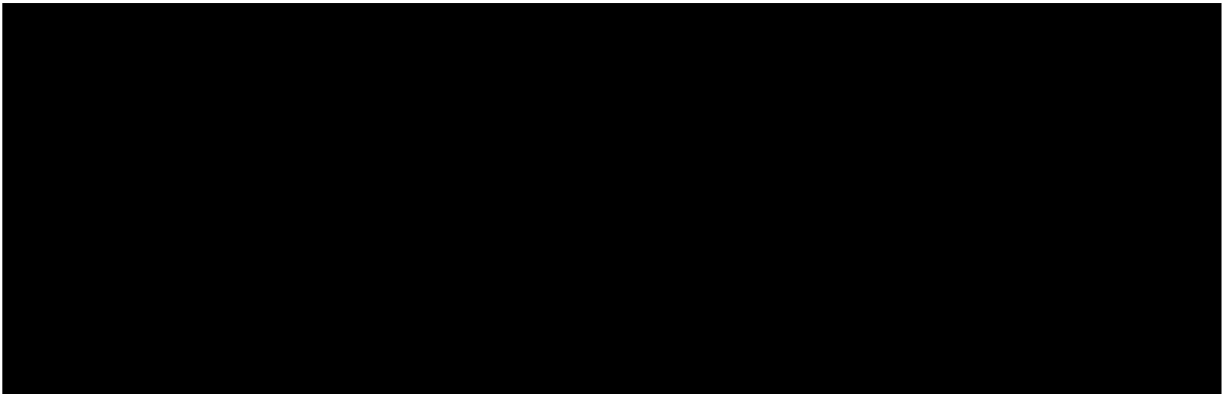
It was noted there is nothing in the SNC-Lavalin correspondence relating to the reservoir levels questioning the stability of the North Spur. Mr. Marshall stated that SNC-Lavalin has absolute confidence in the integrity of the North Spur.

The Board discussed the timing of them becoming aware of correspondence and meetings involving SNC-Lavalin. Mr. Marshall stated that the matter was operational in nature and was being dealt with, but quickly became an issue that was raised to higher levels of Government. He stated that there are a number of organizations and bodies to be kept informed of various activities related to the Project and sometimes the timing of the distribution of information is more rapid than anticipated. It was agreed that on a go forward basis when information is provided to the upper levels of Government, the Board of Directors will be informed as well, as quickly as possible.






Mr. Marshall stated that generally speaking progress has been made with respect to relationships with the Aboriginal groups. He stated that Mr. Keating has been working hard in this regard and has been well received by the various groups. He stated further that the operational aspects of the Project are being handled by Nalcor and at this point things are progressing well, including the movement of the transformers, the work of Valard and also the work of Astaldi.



1466.

FINANCIAL UPDATE

Mr. Sturge stated that as illustrated in the update, financial results for Q2 are very positive. He stated that the four key factors related to the 

[REDACTED] the receipt of almost all final decisions with respect to the 2013 GRA, which has had a positive impact on NLH, and the completion of the \$2.9 billion LCP refinancing.

Mr. Sturge reviewed the key metrics outlined in the Report. He noted the increase in profits in the reporting period over the same time period in 2016. As well, he noted that capital expenditures for Q2 were in the amount of \$1.3 billion.

[REDACTED]

[REDACTED] He then reviewed the information included in the update relating to capital structure.

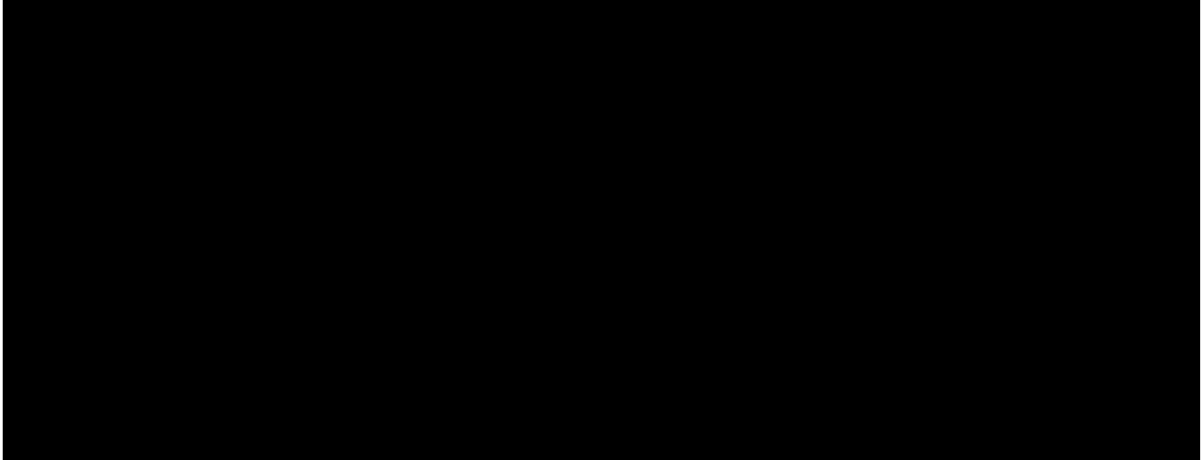
Mr. Sturge stated that overall things have gone well financially in the first half of the year with a number of key risks identified at the beginning of the year being addressed. [REDACTED]

[REDACTED]

[REDACTED] He noted however, that operational expenses in the first half have been within budget.

Mr. Oake, Chair of the Board's Audit Committee, reported on the meeting of the Audit Committee which was held immediately prior to the Board meeting. He stated that the Committee discussed the significant increase in profit for Nalcor in the first half. It identified the fact that this maybe an issue for NLH as it is seeking a rate increase at the same time as Nalcor is experiencing increased profit. The Committee suggested that consideration be given to some communications being issued in this regard.

Mr. Oake stated that the Committee also discussed leveraging the Corporation's capital assets as a way to mitigate NLH's rates. He stated they were told that this is not possible as the assets are leveraged to the full extent that they can be.



Mr. Oake stated that a presentation included in the meeting papers relating to upcoming accounting issues was reviewed by the Committee. The Committee then held an in camera session with the external auditors.

Mr. Oake reported that the Audit Committee passed a resolution recommending the approval of the Q2 Financial Statements and associated MD&A. They also passed a resolution approving the Q2 Financial Statements for various subsidiary Corporations.

**1467. APPROVAL OF NALCOR ENERGY
Q2 2017 FINANCIAL STATEMENTS AND MANAGEMENT
DISCUSSION AND ANALYSIS**

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

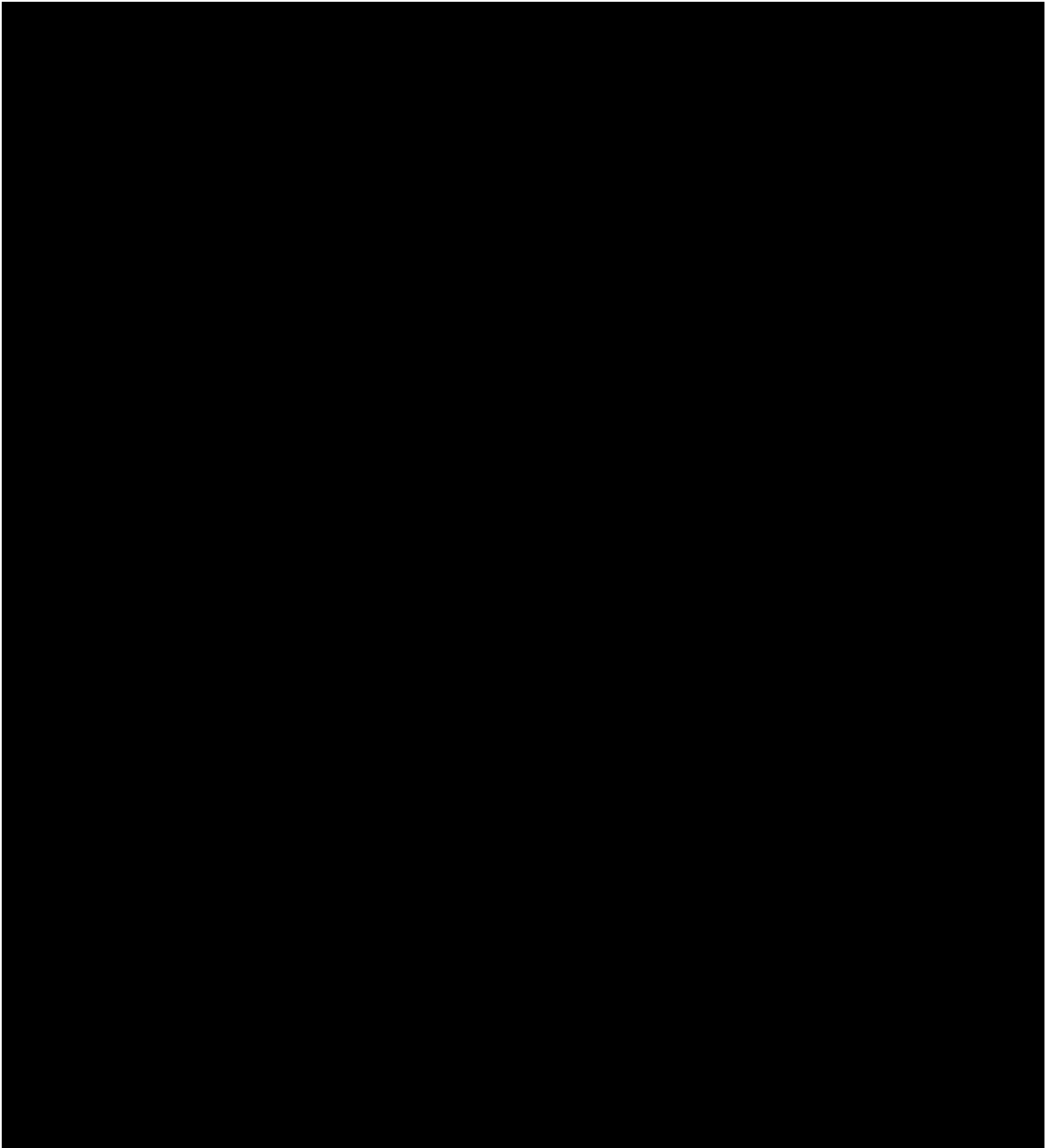
THAT the Nalcor Energy Consolidated Financial Statements and Management Discussion and Analysis for the period ended June 30, 2017, as tabled and initialed by the Secretary for identification, be and they are hereby approved.

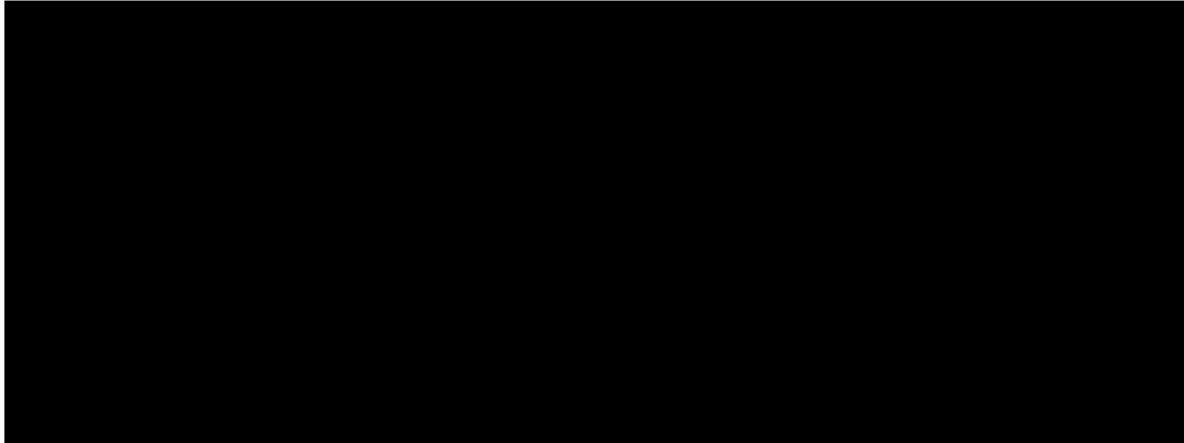
THAT S. Marshall and B. Paddick, or any two Directors, be and they are hereby authorized to sign said Financial Statements on behalf of the Board.

1468.

ERNST AND YOUNG REPORT

Mr. Marshall informed the Board that the latest Ernst and Young Report on the Muskrat Falls Project will be issued soon. Indications are that it will generally be positive.





1471. NCC AGREEMENT

1472. Community Development Agreement-Nunatakavut Community Counsel Inc. (NCC)

Mr. Keating provided an update on discussions between Nalcor and NCC with respect to a community development agreement. He stated that discussions have been very positive and were scheduled to continue on August 9th. He then provided some details with respect to terms of the agreement. He noted that the Government has been involved in these discussions as well. Mr. Keating anticipates an agreement being finalized over the next month or two. He stated that he would provide additional information with respect to this agreement to the Board at its next meeting.

1473. 50TH ANNIVERSARY OF BAY D'ESPOIR GENERATING STATION

Mr. Haynes noted that 2017 is the 50th Anniversary of the opening of the Bay d'Espoir Generating Station. He stated that celebrations were scheduled for the following week.

1474. CHAIR OF THE METHYLMERCURY COMMITTEE

Mr. Bennett informed the Board that Dr. Karl Reimer had been appointed as Chair of the Methylmercury Technical Committee that was established as a result of the meeting between Aboriginal leaders and the Premier in the Fall of 2016. He noted that Dr. Reimer has been retained by the Government, but Nalcor will be providing the funding for Mr. Reimer and the Committee. He noted that a technical sub-committee would soon be established.

1475. IN CAMERA SESSION

Messrs. Keating, Bennett, Sturge, Haynes, Maclsaac and Hickman left the meeting at this time.

The members of the Board of Directors, including Mr. Marshall, held an in camera session.

1476. TERMINATION

There being no further business, the meeting was terminated.

Secretary

Verified at a meeting held on
_____, 2017

Chairperson

RESOLUTION

112TH NALCOR ENERGY BOARD OF DIRECTORS MEETING
SEPTEMBER 29, 2017

VERIFICATION OF MINUTES

BE IT RESOLVED

THAT the minutes of the **ONE HUNDRED AND ELEVENTH** meeting of the Board of Directors of Nalcor Energy held on August 8, 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.



Government of Newfoundland and Labrador
Office of the Premier

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September 12, 2017

Mr. Brendan Paddick
Chairperson
Nalcor Energy Board of Directors
C/O Nalcor Energy
Hydro Place, 500 Columbus Drive
P.O. Box 1280
St. John's, NL A1B 0C9

Dear Mr. Paddick:

I write in respect of recent media reports that much of the Muskrat Falls management team is comprised of embedded contractors, which have billed approximately 4.6 million hours to Nalcor. I understand Nalcor have refused to disclose the billing rates of the aforementioned contracts on the basis that they are commercially sensitive. As you can understand, this situation raises concerns for many members of the public.

As you are aware, Nalcor's Board of Directors have a fiduciary obligation to the shareholders of the corporation; that is, the people of Newfoundland and Labrador. While I concede that the intense political scrutiny surrounding Nalcor may be seen as problematic for those more accustomed to a typical corporate climate, as Premier of this Province I absolutely endorse openness and transparency as it is a hallmark of any functioning democracy.

To this end, I have two inquiries:

- (1) Can the Board of Directors justify the management structure at Muskrat Falls as providing best value to the Province? Would the current board have approved the structure as it is currently in place?
- (2) Can the Board of Directors justify to the people of Newfoundland and Labrador exactly how the billing rates for embedded contractors are commercially sensitive?

Sincerely,

A handwritten signature in blue ink, appearing to read "Dwight Ball", written over a horizontal line.

DWIGHT BALL, MHA
Humber – Gros Morne
Premier



7.3

MANDATE

CORPORATE GOVERNANCE COMMITTEE

September 2017

**MANDATE
CORPORATE GOVERNANCE COMMITTEE
of the BOARD OF DIRECTORS
NALCOR ENERGY**

I. PURPOSE

The Corporate Governance Committee (the “**Committee**”) is responsible for performing the duties set out in this Mandate to enable the Board of Directors of Nalcor Energy (the “**Board**”) to fulfill its oversight responsibilities in relation to:

- Developing governance principles for Nalcor Energy (the “**Corporation**”) and its subsidiaries (collectively, the “**Corporate Group**”) that are consistent with high standards of corporate governance and reviewing and assessing on an ongoing basis the Corporate Group’s system of corporate governance;
- Identifying and recommending to the Board candidates for appointment to Corporate Group boards in the event of a vacancy, with the exception of appointments to the Corporation and Newfoundland and Labrador Hydro;
- Reviewing and recommending a process for director orientation, assessment, and compensation; and
- Enterprise Risk Management with respect to the Corporate Group.

II. CONSTITUTION

1. The Committee shall have at least three members who shall be appointed to the Committee by the Board. All Committee members shall be members of the Board, none of whom shall be an officer or employee of the Corporate Group, and all of whom shall be free from any relationship that, in the opinion of the Board, could interfere with the exercise of his or her independent judgment as a member of the Committee.
2. The Board shall appoint a Chair of the Committee from among the Committee members. If the Chair is not present at any meeting of the Committee, the Chair of the meeting shall be chosen from among the members present.
3. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee upon ceasing to be a director of the Corporation.

7.3

4. In the event of any vacancy which results in less than three members of the Committee, the Board shall fill such vacancy in a reasonable time from among the directors of the Corporation.
5. The Chair presiding at any Committee meeting shall have a vote in all matters considered by the Committee.
6. The Corporate Secretary of the Corporation or designate shall be the Secretary of the Committee.

III. MEETINGS AND MINUTES

7. A majority of members shall constitute a quorum for all meetings of the Committee. The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present, in person or by telephone or other electronic means, or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Committee.
8. The Committee shall meet as frequently as it determines necessary but not less than twice per year.
9. At each meeting of the Committee, an opportunity shall be provided for its members to have an in camera session.
10. The Committee may invite such officers, directors and employees of the Corporate Group and external consultants and auditors as it may see fit, to attend its meetings and to take part in the discussions and consideration. The Committee shall have the right at all times to determine who shall and shall not be present at any or part of the meetings of the Committee.
11. A draft copy of the minutes of a meeting shall be circulated to the members of the Committee within a reasonable time following conclusion of the meeting. All minutes approved by the Committee shall be signed by the Secretary of the meeting and the Chair of the Committee.
12. All recommendations, decisions and directives of the Committee shall be duly recorded by the Secretary in the minutes of the meeting.
13. A written or verbal report on any meetings of the Committee shall be made by the Chair or designate of the Committee at a subsequent meeting of the Board.

IV. SCOPE, DUTIES AND RESPONSIBILITIES

The Committee shall perform the duties set out in this Mandate and shall perform such other duties as may be necessary or appropriate under applicable law or as may be delegated to the Committee by the Board from time to time.

A. System of Corporate Governance

14. The Chair of the Committee shall review the disclosure of corporate governance practices to be included in the Corporation's Annual Report as well as any other disclosures that may be made to the public from time to time.
15. The Committee shall monitor best practices for governance and review the Corporate Group's governance practices with a view to maintaining high standards of corporate governance.

B. Functioning of Board and Committees

16. The Committee shall:

- (a) Assess the optimum Board size and make recommendations to the Board (and subsequently the Shareholder) on any changes to facilitate effective decision making;
- (b) Review the composition and membership of the Corporate Group boards on an annual basis and make recommendations to the Board on any changes;
- (c) Review the composition and membership of each Board committee on an annual basis;
- (d) Review the mandates of the Board and each Board committee as required;
- (e) Recommend appointment of Committee Chairs having regard to the attributes of independence, competence, dedication and leadership skills essential to effective chairmanship;
- (f) Coordinate requests from individual directors for the engagement of special outside advisors from time to time; and
- (g) Develop and maintain a process for the ongoing identification and inventory of skills and experience which a Corporate Group board or committee should collectively possess, for the purpose of recommending future appointments.

C. Process for Nominating Directors

17. With respect to director nominations, the Committee shall:

- (a) Recommend for approval by the Board, a selection and screening process for identifying director candidates for nomination to the Board and the boards of the Corporation's subsidiaries, such process to consider:
 - the needs of individual board committees, if any, particularly with respect to upcoming retirements of Chairs and committee members;
 - board succession planning, in light of the opportunities and challenges facing the Corporate Group;
- (b) Identify director candidates who have the requisite elements of integrity, diversity, knowledge, skill, time availability, and experience and judgment to meet the selection criteria approved by the Board from time to time.
- (c) Recommend to the Board director candidates to be appointed to the boards of the Corporation's subsidiaries as well as recommend to the Shareholder director candidates to be appointed to the Board.

D. Board Assessment

18. The Committee shall be responsible for assisting the Board in discharging assessment duties and to this end shall:

- (a) Develop and recommend to the Board a process for assessing the performance and effectiveness of the Board;
- (b) On an annual basis, be responsible for overseeing the implementation of the assessment process approved by the Board; and
- (c) Report annually to the Board with the results of its assessment of Board performance.

E. Education and Orientation

19. The Committee shall:

- (a) Satisfy itself that there is a satisfactory orientation program for new directors with respect to the Board responsibilities;
- (b) Ensure that appropriate orientation and education programs are in place for new Committee members; and

- (c) Provide continuing education for all directors as required.

F. Code of Ethics and Business Conduct

20. Annually, the Committee shall review the Code of Ethics and Business Conduct (the "Code") for the Corporate Group and recommend changes to the Board as appropriate.
21. The Committee shall oversee activities undertaken by management to ensure employees are aware of their responsibilities under the Code.

G. Director Independence

22. Annually, the Committee shall review the Corporation's Director Independence Policy and make recommendations to the Board as appropriate.

H. D & O Insurance

23. Annually, the Committee shall review and recommend to the Board, the appropriate Directors and Officers insurance coverage.

I. Enterprise Risk Management (ERM)

24. With respect to non-financial risk issues, the Committee shall:
- Provide oversight of the enterprise's risk profile, including internal control, management information systems, regulatory compliance processes, and other non-financial risk management systems.
 - Ensure that Executive management is effectively governing and managing the enterprise's risk environment.
 - Ensure management has a process for identifying the principal risks of the Corporation's business.
 - Ensure the implementation of appropriate systems to effectively monitor and manage such risks with a view to the long-term viability of the Corporation.
 - Review ERM Policy and Corporate ERM Plans and make recommendations to the Board regarding their approval.
 - As established, review risk appetite and tolerances, including frameworks and any significant updates, making recommendations to the Board regarding their approval.

V. GENERAL

25. The Committee shall have full, free and unrestricted access to management, employees and relevant information.

26. Subject to Board approval, the Committee shall have the authority to retain legal counsel, consultants or other advisors, with respect to any issue or to assist in fulfilling its responsibilities.
27. The Committee shall conduct an annual review and assessment of its performance, including a review of its compliance with this Mandate.
28. The Committee shall review and assess the Mandate as necessary taking into account all legislative and regulatory requirements applicable to the Committee as well as any best practice guidelines.

RESOLUTION

112TH NALCOR ENERGY BOARD OF DIRECTORS MEETING
SEPTEMBER 29, 2017

7.3

APPROVAL OF CORPORATE GOVERNANCE COMMITTEE MANDATE

BE IT RESOLVED:

THAT the Mandate of the Nalcor Energy Corporate Governance Committee, in the form presented to the Board of Directors at its meeting of September 29, 2017, be and it is hereby approved.



7.3

MANDATE

HUMAN RESOURCES & COMPENSATION COMMITTEE

September 2017

MANDATE
HUMAN RESOURCES & COMPENSATION COMMITTEE
of the BOARD OF DIRECTORS
NALCOR ENERGY

I. PURPOSE

The Human Resources and Compensation Committee (the “**Committee**”) shall assist the Board of Directors of Nalcor Energy (the “**Board**”) in the development, implementation and monitoring of sound human resources and compensation policies for Nalcor Energy (the “**Corporation**”) and its subsidiaries (collectively, the “**Corporate Group**”) by reviewing, creating, recommending and administering policies, plans, programs and strategies with respect to compensation, employment diversity, organizational structure and succession planning of the Executive. As used herein, the word “**Executive**” includes the President and Chief Executive Officer, Executive Vice Presidents, and Vice Presidents of the Corporation and such members of management as determined by the President and Chief Executive Officer.

II. CONSTITUTION

1. The Committee shall have at least three members who shall be appointed to the Committee by the Board. All Committee members shall be members of the Board, none of whom shall be an officer or employee of the Corporate Group, and all of whom shall be free from any relationship that, in the opinion of the Board, could interfere with the exercise of his or her independent judgment as a member of the Committee.
2. The Board shall appoint a Chair of the Committee from among the Committee members. If the Chair is not present at any meeting of the Committee, the Chair of the meeting shall be chosen from among the members present.
3. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee upon ceasing to be a director of the Corporation.
4. In the event of any vacancy which results in less than three members of the Committee, the Board shall fill such vacancy in a reasonable time from among the directors of the Corporation.
5. The Chair presiding at any Committee meeting shall have a vote in all matters considered by the Committee.

6. The Corporate Secretary of the Corporation or designate shall be the Secretary of the Committee.

III. MEETINGS AND MINUTES

7. A majority of members shall constitute a quorum for all meetings of the Committee. The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present, in person or by telephone or other electronic means, or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Committee.
8. The Committee shall meet as frequently as it determines necessary but not less than twice per year.
9. At each meeting of the Committee, an opportunity shall be provided for its members to have an in camera session.
10. The Committee may invite such officers, directors and employees of the Corporate Group and external consultants and auditors as it may see fit, to attend its meetings and to take part in the discussions and consideration. The Committee shall have the right at all times to determine who shall and shall not be present at any or part of the meetings of the Committee.
11. A draft copy of the minutes of a meeting shall be circulated to the members of the Committee within a reasonable time following conclusion of the meeting. All minutes approved by the Committee shall be signed by the Secretary of the meeting and the Chair of the Committee.
12. All recommendations, decisions and directives of the Committee shall be duly recorded by the Secretary in the minutes of the meeting.
13. A written or verbal report on any meetings of the Committee shall be made by the Chair or designate of the Committee at a subsequent meeting of the Board.

IV. SCOPE, DUTIES AND RESPONSIBILITIES

14. The Committee shall oversee issues of human resources and labour relations, executive compensation and organizational structure, diversity and inclusion, and succession planning as they apply to the Corporation by monitoring and reviewing the human resources and compensation practices of the Corporation on a continuing basis and, whenever considered appropriate, shall report and make recommendations to the Board concerning those practices including, without limitation:

- a. as required, the Chair of the Board and the Committee shall undertake an annual performance review of the President and CEO of the Corporation and report and/or make recommendations to the Board. The performance review shall be based on agreed upon goals and objectives, updated each year;
- b. as required, the determination and setting forth of the President and Chief Executive Officer's compensation level (considering all elements of the compensation package) based on the Chief Executive Officer's evaluation;
- c. the Corporation's approach to and policies for recruiting, developing and motivating Executives and executive compensation and human resources issues;
- d. establish and maintain a compensation philosophy and framework for the Corporation, including the framework for the short-term incentive plan (performance contracts) for eligible employees and the long-term incentive plan (LTI) for executives;
- e. review and assess annually corporate performance metrics, including thresholds, targets, opportunities (stretch) and weightings, and ensure alignment within the incentive programs;
- f. periodically conduct a compensation risk assessment to ensure that the compensation of Executive encourages prudent risk-taking appropriate to the Nalcor profile and the avoidance of excessive risk-taking that may materially impact the Corporation's performance in an adverse manner;
- g. review the structure of the executive and the engagement of executive personnel to a newly formed executive position;
- h. review and assess annually the Corporation's succession planning policies and practices for the executives, and report and/or make recommendations to the Board;
- i. review the approach to employment diversity and inclusion;
- j. review compliance with the Code of Conduct within the Corporation;
- k. review the Corporation's labour relations strategies and recommend to the Board negotiating mandates for collective bargaining;
- l. as necessary, provide guidance and direction to the boards of subsidiary companies with respect to compensation and human resource policies and issues as outlined in this Mandate.

15. The Committee shall consider and make recommendations to the Board in respect of the following items:
 - a. establish annual salary increases for the Executive;
 - b. establish payout criteria, evaluate performance and realization of objectives and authorize awards and payments in accordance with the short-term and long-term incentive programs for Executives;
 - c. review and approve annual salary policy increases for non-union employees, including cost of living adjustments and the merit matrix (salary progression model);
 - d. review and approve any significant changes to the compensation & benefit policies and programs and pension plans of the Corporation for Executive, management and all employees;
 - e. review and approve compensation and benefits for collective bargaining mandates.
16. The Committee shall perform such other duties as may be necessary or appropriate under applicable law or as may be delegated to the Committee by the Board from time to time.

V. GENERAL

17. The Committee shall have full, free and unrestricted access to management, employees and relevant information.
18. Subject to Board approval, the Committee shall have the authority to retain legal counsel, consultants or other advisors, with respect to any issue or to assist in fulfilling its responsibilities.
19. The Committee shall conduct an annual review and assessment of its performance, including a review of its compliance with this Mandate.
20. The Committee shall review and assess the Mandate as necessary taking into account all legislative and regulatory requirements applicable to the Committee as well as any best practice guidelines.

RESOLUTION

112TH NALCOR ENERGY BOARD OF DIRECTORS MEETING
SEPTEMBER 29, 2017

7.3

APPROVAL OF HUMAN RESOURCES AND COMPENSATION
COMMITTEE MANDATE

BE IT RESOLVED:

THAT the Mandate of the Nalcor Energy Human Resources and Compensation Committee, in the form presented to the Board of Directors at its meeting of September 29, 2017, be and it is hereby approved.



MANDATE

SAFETY, HEALTH, ENVIRONMENT AND COMMUNITY COMMITTEE

September 2017

MANDATE
SAFETY, HEALTH, ENVIRONMENT AND COMMUNITY COMMITTEE
of the BOARD OF DIRECTORS
NALCOR ENERGY

I. PURPOSE

The Safety, Health, Environment and Community (“SHEC”) Committee (the “Committee”) shall assist the Board of Directors of Nalcor Energy (the “Board”) by providing oversight of safety, health, environment and community issues for Nalcor Energy (the “Corporation”) and its subsidiaries with the exception of Churchill Falls (Labrador) Corporation Limited (“CFLCo”) (collectively, the “Corporate Group”). The Committee shall ensure Management has developed and implemented a consistent SHEC philosophy, framework and policies across the Corporate Group. Individual SHEC committees may exist in each subsidiary with specific accountability for providing oversight of SHEC matters on behalf of the individual boards.

II. CONSTITUTION

1. The Committee shall have at least three members who shall be appointed to the Committee by the Board. All Committee members shall be members of the Board, none of whom shall be an officer or employee of the Corporate Group or CFLCo, and all of whom shall be free from any relationship that, in the opinion of the Board, could interfere with the exercise of his or her independent judgment as a member of the Committee.
2. The Board shall appoint a Chair of the Committee from among the Committee members. If the Chair is not present at any meeting of the Committee, the Chair of the meeting shall be chosen from among the members present.
3. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee upon ceasing to be a director of the Corporation.
4. In the event of any vacancy which results in less than three members of the Committee, the Board shall fill such vacancy in a reasonable time from among the directors of the Corporation.
5. The Chair presiding at any Committee meeting shall have a vote in all matters considered by the Committee.
6. The Corporate Secretary of the Corporation or designate shall be the Secretary of the Committee.

III. MEETINGS AND MINUTES

7. A majority of members shall constitute a quorum for all meetings of the Committee. The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present, in person or by telephone or other electronic means, or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Committee.
8. The Committee shall meet as frequently as it determines necessary but not less than twice per year.
9. At each meeting of the Committee, an opportunity shall be provided for its members to have an in camera session.
10. The Committee may invite such officers, directors and employees of the Corporate Group and external consultants and auditors as it may see fit, to attend its meetings and to take part in the discussions and consideration. The Committee shall have the right at all times to determine who shall and shall not be present at any or part of the meetings of the Committee.
11. The Manager of Environmental Services and the Manager of Safety shall have the right to directly communicate with the Chair of the Committee concerning any significant environmental, health or safety matter as well as the opportunity to meet in private with the Committee at each meeting.
12. A draft copy of the minutes of a meeting shall be circulated to the members of the Committee within a reasonable time following conclusion of the meeting. All minutes approved by the Committee shall be signed by the Secretary of the meeting and the Chair of the Committee.
13. All recommendations, decisions and directives of the Committee shall be duly recorded by the Secretary in the minutes of the meeting.
14. A written or verbal report on any meetings of the Committee shall be made by the Chair or designate of the Committee at a subsequent meeting of the Board.

IV. SCOPE, DUTIES AND RESPONSIBILITIES

The SHEC Committee shall have the following specific functions, duties and responsibilities and make recommendations to the Board with respect to:

15. Review and report to the Board on the Corporate Group's maintenance of safety, environment and health policies, procedures and practices and in the conduct of its

operation, directed to prevent injury to its employees, the public and the environment.

16. Review with Management whether the Corporate Group's safety, environment and health policies are being effectively implemented and in compliance with statutory and regulatory requirements and report to the Board, at least annually, on the Corporate Group's compliance with current industry, legislative, regulatory and corporate standards for safety, environmental and health.
17. Review the findings of reports arising from internal and external audits and assessments to safety, environment and health issues, together with Management's response thereto and oversee to ensure that there is an agreed course of action leading to the resolution of any concerns, deficiencies or outstanding issues and timely follow-up on any unresolved matters.
18. Review with Management the impact of proposed legislation in matters of safety, environment and health on the operations of the Corporate Group and make recommendations to the Board on the appropriate responses and action for the Corporate Group.
19. Review and as necessary report to the Board the Corporate Group's safety and environmental emergency response planning policies and procedures.
20. Review and approve annually the safety and environmental audit plans by the Corporate Group and external auditors and review of annual Corporate safety performance and Corporate environmental report.
21. Review with Management and make recommendations to the Board as appropriate on the Corporate Group's safety, environment, health and community programs, policies and procedures and any other matters relating to safety, environment, health and community that it considers relevant.
22. Review with Management annually the three-year Corporate Reputation Plan and annual reputation priorities.
23. Review and approval of the appointment, compensation and retention of external safety and environment auditors.
24. Meet with the Vice-President/Manager responsible at least annually to review safety, environmental, health or reputation matters that could have a material impact on the Corporation's reputation, business or financial position and report to the Board thereon in a timely manner.

25. The Committee shall perform such other duties as may be necessary or appropriate under applicable law or as may be delegated to the Committee by the Board from time to time.

V. GENERAL

26. The Committee shall have full, free and unrestricted access to management, employees and relevant information.
27. Subject to Board approval, the Committee shall have the authority to retain legal counsel, consultants or other advisors, with respect to any issue or to assist in fulfilling its responsibilities.
28. The Committee shall conduct an annual review and assessment of its performance, including a review of its compliance with this Mandate.
29. The Committee shall review and assess the Mandate as necessary taking into account all legislative and regulatory requirements applicable to the Committee as well as any best practice guidelines.

7.3

RESOLUTION

112TH NALCOR ENERGY BOARD OF DIRECTORS MEETING
SEPTEMBER 29, 2017

7.3

APPROVAL SAFETY, HEALTH, ENVIRONMENT AND COMMUNITY
COMMITTEE MANDATE

BE IT RESOLVED:

THAT the Mandate of the Nalcor Energy Safety, Health, Environment and Community Committee, in the form presented to the Board of Directors at its meeting of September 29, 2017, be and it is hereby approved.



MEMO

Date: September 21, 2017
To: Nalcor Energy Board of Directors
Subject: Requirement for “Super” Independent Directors

As you are aware, the Articles of Incorporation of four of the LCP subsidiaries (Muskrat Falls Corporation, Labrador Transmission Corporation, LIL General Partner Corporation and LIL Operating Corporation) require that one of the directors of each of those corporations be a “super” independent director. The criterion for a director to qualify as a super independent is restrictive and it therefore can be difficult to find a person to fill the role. We were asked by the Board to take steps to try and have the requirement for super independent directors removed from the Articles.

The requirement for the super independent directors was imposed by the Federal Government during the discussions relating to the initial loan guarantee. They have been asked if they would be agreeable to the elimination of the requirement and have agreed that it is not necessary to continue to impose that requirement on the four companies. It should be noted that the Federal Government takes comfort in the fact that the companies are required to have two independent directors under the Energy Corporation Act and it was a factor in them agreeing to our request to eliminate the requirement for the super independent directors.

The Partnership Agreement associated with the LIL Limited Partnership contains a provision requiring that the Articles of LIL General Partner Corporation contain the super independent requirement. An amendment of that Agreement requires the unanimous consent of all of the partners, which are LIL GP, Holdco and Emera NL. Emera has been approached in this regard and has agreed to the change to remove the super independent requirement, but on the condition that it be replaced with a requirement that there be at least one director of LIL GP who is independent in accordance with the definition of “independent” contained in the Energy Corporation Act.

Another requirement in the process is to obtain the unanimous approval of the Boards of Directors of the four LCP companies for the amendment of the Articles of their respective companies. The Articles of each of the companies require that there must be unanimous approval of the Board of Directors of any amendment of the Articles.

The next step is for the Board of Directors of Nalcor to authorize Nalcor, as the sole shareholder of each of the companies, to amend the Articles of Incorporation of the four companies to remove the requirement for the super independent director. The appropriate resolutions are enclosed herein for the consideration of the Board. Note that these resolutions are subject to the approvals of the Boards and Partners as outlined above. When all approvals have been obtained, we will file the required documentation at the Registry of Companies to formally amend the Articles.

7.3

RESOLUTION

112TH NALCOR ENERGY BOARD OF DIRECTORS MEETING
SEPTEMBER 29, 2017

7.3

APPROVAL OF AMENDMENT OF ARTICLES OF LABRADOR TRANSMISSION CORPORATION

BE IT RESOLVED

THAT, subject to the unanimous consent of the directors of Labrador Transmission Corporation (“LTC”), Nalcor Energy is hereby authorized to execute a written resolution of the Shareholder of LTC approving the following:

1. The amendment of the Articles of Incorporation of LTC as follows:
Schedule 4 – Section 7 – “Other Provisions” be amended by the deletion of Clause (4) referencing “Independent Director” in its entirety.
2. Any officer or director or the Solicitors of LTC be authorized to sign and file Articles of Amendment to reflect the foregoing resolution in accordance with the *Corporations Act* (Newfoundland and Labrador).

RESOLUTION

112TH NALCOR ENERGY BOARD OF DIRECTORS MEETING
SEPTEMBER 29, 2017

7.3

APPROVAL OF AMENDMENT OF ARTICLES OF MUSKRAT FALLS CORPORATION

BE IT RESOLVED

THAT, subject to the unanimous consent of the directors of Muskrat Falls Corporation (“MFC”), Nalcor Energy is hereby authorized to execute a written resolution of the Shareholder of MFC approving the following:

1. The amendment of the Articles of Incorporation of MFC as follows:
Schedule 4 – Section 7 – “Other Provisions” be amended by the deletion of Clause (4) referencing “Independent Director” in its entirety.
2. Any officer or director or the Solicitors of MFC be authorized to sign and file Articles of Amendment to reflect the foregoing resolution in accordance with the *Corporations Act* (Newfoundland and Labrador).

RESOLUTION

112TH NALCOR ENERGY BOARD OF DIRECTORS MEETING
SEPTEMBER 29, 2017

7.3

APPROVAL OF AMENDMENT OF ARTICLES OF LABRADOR-ISLAND LINK OPERATING CORPORATION

BE IT RESOLVED

THAT, subject to the unanimous consent of the directors of Labrador-Island Link Operating Corporation (“Opco”), Nalcor Energy is hereby authorized to execute a written resolution of the Shareholder of Opco approving the following:

1. The amendment of the Articles of Incorporation of Opco as follows:
Schedule 4 – Section 7 – “Other Provisions” be amended by the deletion of Clause (4) referencing “Independent Director” in its entirety.
2. Any officer or director or the Solicitors of Opco be authorized to sign and file Articles of Amendment to reflect the foregoing resolution in accordance with the *Corporations Act* (Newfoundland and Labrador).

RESOLUTION

112TH NALCOR ENERGY BOARD OF DIRECTORS MEETING
SEPTEMBER 29, 2017

7.3

**APPROVAL OF AMENDMENT OF ARTICLES OF LABRADOR-ISLAND LINK
GENERAL PARTNER CORPORATION**

BE IT RESOLVED

THAT, subject to the unanimous consent of the partners of the Labrador-Island Link Limited Partnership to amend the Limited Partnership Agreement as well as the unanimous consent of the directors of Labrador-Island Link General Partner Corporation (“LIL GP”) to amend the Articles of Incorporation of LIL GP, Nalcor Energy is hereby authorized to execute a written resolution of the Shareholder of LIL GP approving the following:

1. The provision in the Limited Partnership Agreement requiring that one of the directors of LIL GP be an “Independent Director” be revised so that the definition of “Independent Director” corresponds with the definition included in the Energy Corporation Act (NL).
2. The amendment of the Articles of Incorporation of LIL GP as follows:

Schedule 4 – Section 8 – “Other Provisions” be amended by deleting Clause (5) referencing “Independent Director” in its entirety and replacing it with the following:

(5) At least one of the directors of the Corporation shall be an **"Independent Director"**. For purposes of these Articles of Incorporation, (a) "Independent Director" means a duly appointed member of the Board of Directors who is not a member of the board of directors of Nalcor or a subsidiary of Nalcor or an employee or officer of Nalcor, a subsidiary of Nalcor or the Crown; (b) "Crown" means Her Majesty the Queen in Right of Newfoundland and Labrador"; and (c) "Nalcor" means Nalcor Energy, the corporation established by the Energy Corporation Act, SNL2007 Chapter E-11.01, as amended.

3. Any officer or director or the Solicitors of LIL GP be authorized to sign and file Articles of Amendment to reflect the foregoing resolution in accordance with the *Corporations Act* (Newfoundland and Labrador).

RESOLUTION

112TH NALCOR ENERGY CORPORATION
BOARD OF DIRECTORS MEETING – SEPTEMBER 29, 2017

7.4

APPOINTMENT OF AUDITORS

BE IT RESOLVED:

THAT Deloitte be and they are hereby appointed Auditors of the Company for the year ending December 31, 2017, at a remuneration to be fixed by the Board of Directors of the Company.

RESOLUTION

112TH NALCOR ENERGY CORPORATION
BOARD OF DIRECTORS MEETING – SEPTEMBER 29, 2017

7.4

REMUNERATION OF AUDITORS

BE IT RESOLVED:

THAT the remuneration of the Company's auditors, Deloitte, for the examination and reporting on the accounts of the Corporation for the year ended December 31, 2017 be and it is hereby approved in an amount not to exceed [REDACTED] excluding taxes.

Nalcor Energy Monthly Financial Summary As at August 31, 2017									
	Notes	Year-To-Date				Annual			
		Actual 2016	Budget 2017	Actual 2017	Budget Variance	Actual 2016	Budget 2017	Forecast 2017	Budget Variance
Power Development Total		(1)	-	(1)	(1)	(1)	(1)	(2)	(1)
LCP Transmission		1	2	(1)	(3)	1	2	(1)	(3)
Churchill Falls @ 65.8%		27	18	21	3	41	29	31	2
Other - Power Supply		1	(1)	2	3	3	(1)	1	2
Power Supply Total		29	19	22	3	45	30	31	1
Energy Trading	2	12	13	9	(4)	17	17	10	(7)
Commercial and Other		-	(1)	(1)	-	(1)	(1)	(1)	-

8.1

Pages 43 – 44 have been fully redacted

8.1

Pages 46 – 61 have been fully redacted

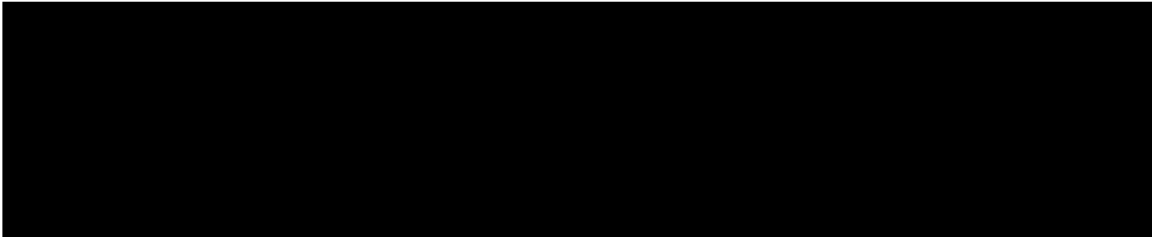
COMMUNITY

Indigenous Affairs

- Finalization of the Community Development Agreement with the NunatuKavut Community Council continues. There are currently no show stoppers and we are preparing for execution by the first week of October. There are four schedules covering various aspects of community investment opportunities, environmental monitoring, use of indigenous knowledge, partnering in communities renewable energy and strategic infrastructure funding. (Summary of schedules attached.)
- Coordinated SNC presentation on September 6, 2017 to leaders of Indigenous groups and Government officials to communicate risks for landslides and erosion associated with reduction in water levels at Muskrat Falls
- SNC presented this same information to the Independent Expert Advisory Committee's Technical Sub-Committee on September 8, 2017.

Stakeholder/Shareholder Relations

- Quarterly Financial Results call held on August 11, 2017
- Coordinating the preservation and protection of all records related to the decision-making process surrounding Muskrat Falls as required under the Management of Information Act and as requested by the Minister of Natural Resources.



Pages 63 – 64 have been fully redacted



**Executive Update – Power Development
September 2017**

Safety

- No LTI's at Muskrat Falls from March 2017 to month end of July 2017. 3 LTI's YTD 2017.
- Working cooperatively with contractors to improve safety management system performance. Audits completed on BPLP and Labrador Catering.
- Muskrat Falls reservoir maintained at elevation 20.4 m with planned increase to 21.5 m late September to facilitate log boom installation through October 2017. Signage advising avoidance of the reservoir area remains in place.

10.4

Environment

- Continuing methylmercury and human risk studies to inform dialogue with IEAC. Methylmercury monitoring program is ongoing. Levels in Goose Bay and Lake Melville remain at baseline levels.
- Final report from Hatch in relation to the flood event at Mud Lake has been received. They have concluded that Muskrat Falls construction is unrelated to the events at Mud Lake. The report will be released later in September.
- 40 hectare reservoir clearing program at Edward's Island has been completed. The wood will be disposed by burning after October 1. Burning the surplus wood is being undertaken as a pilot project to inform removal for any larger scale mitigation required by government in 2018.

Business Excellence

- Astaldi year to date concrete placement at 118,385 m³ as of September 17.
- Andritz has installed Unit 1 draft tube liner and returned control to Astaldi to start concrete embedment.
- Commercial discussions ongoing to resolve issues relating to CH0032 – gates and hydromechanical equipment.
- Gilbert North Spur work scope completed. Contractor has demobilized from site.
- BPLP south dam placement @ 96% complete as of September 16. North dam concrete placement @ 30% complete as of September 16.

People

- With windup of civil scopes for 2017, generation organization review is under way. Interface coordination among civil, mechanical, and electrical contractors on site is an important consideration in the review, and third party advice (Westney) has been retained as part of the process.

Community

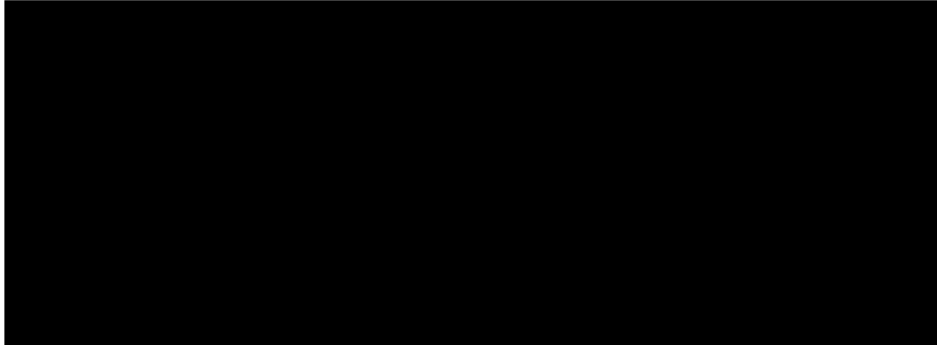
- Court proceedings are ongoing for various protestors throughout the fall of 2017.
- Engagement with indigenous groups continues. Topics for discussion include the boom installation and management of water levels through the winter of 2017-18.
- Observations and recommendations by SNC Lavalin regarding maintenance of water levels and avoiding further drawdown have been reviewed with indigenous leaders and the IEAC in September.
- Actions necessary to increase water levels may heighten risk of protest activity this fall. This will be incorporated in our planning for fall work.



**EXECUTIVE UPDATE
Power Supply**

Friday, 29 September 2017

SAFETY



10.5

Transmission Components at Project Level

- Year to date:
 - 1 Lost time, 8 medical aids
- Bolster the team with the addition of 3 new safety resources for overland transmission.
- OHS, order compliance and progress by independent transmission expert, report findings implemented. There was no ordered work stoppage for our transmission work. Additional HiPo incident since last report.
- Risks:
 - Hunting season
 - Vehicle speeds
 - Energized switch yards

Mitigation Actions

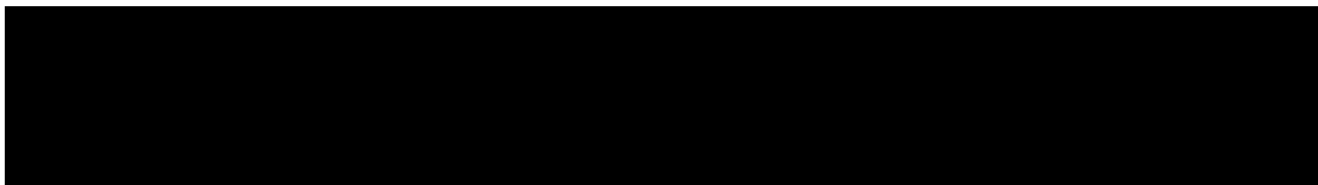
- Visible leadership in field, across project work and operations, increased oversight
- Continued focus on new and vulnerable workers within operations
- Robust protocol for integration and energization of new assets
- Project targets are based upon 2016 actuals and aligned to corporate approach / input
- Leadership changes / cultural shift / elevated accountability

- Spot Checks: use of radar guns and drug dogs.

Power Supply

- Safety objectives embedded within 2017 roadmaps for each of CF, TTO overland transmission and HVdc Specialties
- Nalcor work protection code being leveraged as we step into asset energization across project sites

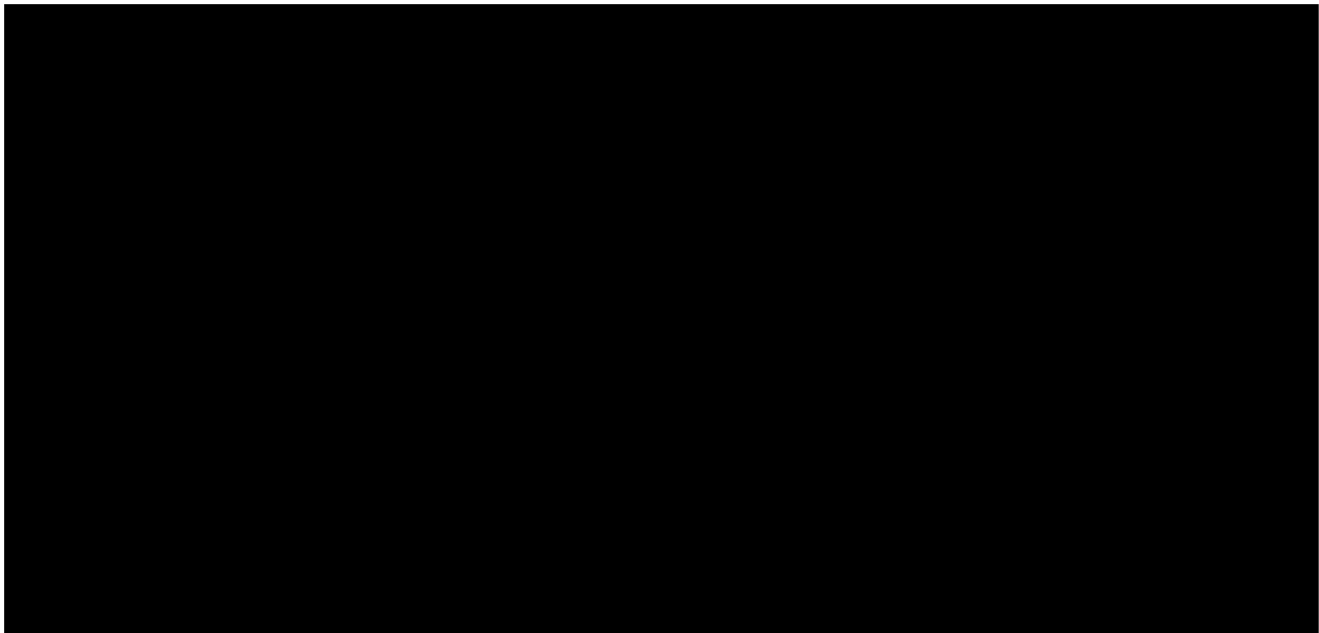
ENVIRONMENT



10.5

Transmission Components & Non-Regulated Capital Projects

- Work plan in place, resources in place, pre-work and permits are active
- Tracking with compliance
- Pre-work on permits for access road advancing, executive summary prepared and ready for submission to Government NL, targeted timing is late September, and Minister of Natural Resources supportive of roads remaining in place





Engineering and Non-regulated:

- End of 2nd quarter tracking with compliance to budget and integrated planning
- Tracking with road map objectives, gap closure on several lagging pieces
- Forecast compliance at year end, minimal carryover
- New Power Supply engineering structure, repurposed & progressing, head count neutral

Transition to Operations (TTO):

- Budget compliant
- Tracking to road map, with recovery actions in play on lagging deliverable
- Bumping up recruitment campaign, “link into something big”
- Recruitment launched in May, steady progress, staffing risk reducing in real time

Transmission Components:

- Aligned to road map milestones, continue to project end of 2nd quarter 2018
- Steady progress across work fronts, slippages being flagged and addressed through recovery plans (ramping of resources) – 4th week of May, hitting commodity targets
- Amending agreements with Quanta and GE in place, HJOC settlement reached
- High / Moderate Risk – continued energization of assets Churchill Falls / Soldier’s Pond / Muskrat Falls
- No new incremental risks this reporting period

PEOPLE

- Recruitment road map and campaign kicked off, regional focus first
- Interviews and announcements on leadership continue, now into management roles

- Hybrid model for first 12 and 24 months (Atco partnership), completions and commissioning next phase now ramping up
- Planning for demobilization of resources, starting in late October – thru December

COMMUNITY

- Nunatukavut Community Council – interconnecting south coast communities, approved
- Goose Bay – Wellness center, aligned on 250K per year, four years, announced
- Support to NCC Agreement, ongoing
- Hydro met stations, bridge replacement Mud Lake

10.5

2017 OBJECTIVES (unchanged)

- Roadmaps in place for each of Engineering, TTO, CF(L)Co and Transmission components
- Emphasis on “Deliver the Year”
- Performance contracts will support integration with direct linkage to roadmap
- Bench strengthening for the project delivery team continues, recent additions to completions and commissioning team
- Roll-out and implementation of Power Supply organizational structure continues, update last week
- Working with roadmaps and leading metrics
- Q4, Feed & Pework for 2018
 - Budgets
 - Integrated planning
 - Road maps

Corporate Compliance Certificate – Safety, Health and Environment

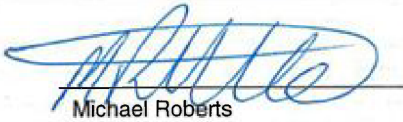
For the 12 month period ended September 20, 2017

We hereby certify that:

1. The statutory filings, reports, statements and representations identified below have been made in a timely and accurate manner to the appropriate external parties for Nalcor Energy and its subsidiaries.

	Nalcor Energy	NL Hydro	NE - CF	NE – Energy Marketing	NE - Oil & Gas	NE – BAF
Workplace NL:						
Payroll Assessment	✓	✓	✓	✓	✓	✓
PRIME Validation	✓	✓	✓	✓	✓	N/A
Service NL:						
OHS Orders addressed	100%	100%	100%	N/A	N/A	N/A
Notified of reportable incidents	✓	✓	✓	N/A	N/A	N/A
Notified of Work refusals	N/A	N/A	N/A	N/A	N/A	N/A
OHS Committee Meetings	✓	✓	✓	✓	✓	✓
Emergency Response Plans	✓	✓	✓	✓	✓	✓
Transport Canada:						
Airport Certificate	N/A	N/A	✓	N/A	N/A	N/A
Operations Certificate Fixed Wing	N/A	N/A	✓	N/A	N/A	N/A
Operations Certificate Helicopter	N/A	N/A	✓	N/A	N/A	N/A
Certificate of Approval, Approved Maintenance Organization (AMO)	N/A	N/A	✓	N/A	N/A	N/A
Air emissions report to DOEC	N/A	✓	N/A	N/A	N/A	N/A
Used oil report to DOEC	N/A	✓	✓	N/A	N/A	N/A
PCB reporting to Environment Canada	N/A	✓	✓	N/A	N/A	N/A
Pollutant Release Inventory Report to Environment Canada	N/A	✓	✓	N/A	N/A	N/A
GHG Emission Report to Environment Canada	N/A	✓	N/A	N/A	N/A	N/A
Regulators advised of all reportable spills	N/A	✓	✓	N/A	N/A	N/A
Wastewater System Effluent reporting to Environment Canada	N/A	✓	✓	N/A	N/A	N/A
Up to date cumulative monthly reports to DOEC on wastewater discharge and ambient air monitoring in support of HTGS C of A	N/A	✓	N/A	N/A	N/A	N/A

2. Any written correspondence received from these parties that would suggest non-compliance or disagreement has been brought to the attention of the Safety, Health and Environment Committee.



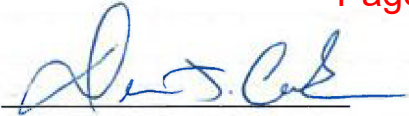
Michael Roberts
Chief Human Resources
Officer,
Vice-President,
Safety, Health and
Sustainability, Nalcor Energy

Sept 21, 2017
Date



Steve Tilley
Manager of Safety and
Health, Nalcor Energy

Sept 21 / 2017
Date



Marion Organ
Manager of Environmental
Services, Nalcor Energy

Sept. 21 / 17
Date



Lower Churchill Management Corporation
Corporate Office
500 Columbus Drive
P.O. Box 12800
St. John's, NL Canada A1B 0C9

September 11, 2017

The Boards of Directors: Lower Churchill Management Corporation (LCMC)
Labrador-Island Link General Partner Corporation (LIL-GP)
Labrador-Island Link Operating Corporation (LIL-Opco)
Labrador-Island Link Holding Corporation (LIL-HC)
Labrador Transmission Corporation (LTC)
Muskrat Falls Corporation (MFC)

Ladies and Gentlemen:


We, Gilbert Bennett, Executive Vice-President Power Development of LCMC, and John MacIsaac, Executive Vice-President Power Supply of Nalcor Energy and Chairperson of LCMC, do hereby certify the matters set forth below regarding environmental matters in relation to the construction of Muskrat Falls, the Labrador-Island Transmission Link, and the Labrador Transmission Asset:

- a) All necessary permits and authorizations for current work activities are in place;
- b) Environmental Protection Plans have been developed and implemented to ensure compliance with the terms and conditions of applicable laws, regulations, permits, and authorizations;
- c) Regular and ongoing inspection of project activities is undertaken by project environmental monitors;
- d) Conformance processes to address and correct non-compliances with applicable Environmental Protection Plans have been developed and implemented;
- e) As of this date, there are no violations of applicable regulation or law or any other reportable regulatory condition or event without a mitigation plan acceptable to regulators.

Sincerely,



Gilbert J. Bennett, P. Eng., FCAE
Executive Vice-President, Power Development



John MacIsaac
Chairperson

a Nalcor Energy company

14.2