

Muskrat Falls Project Oversight Committee

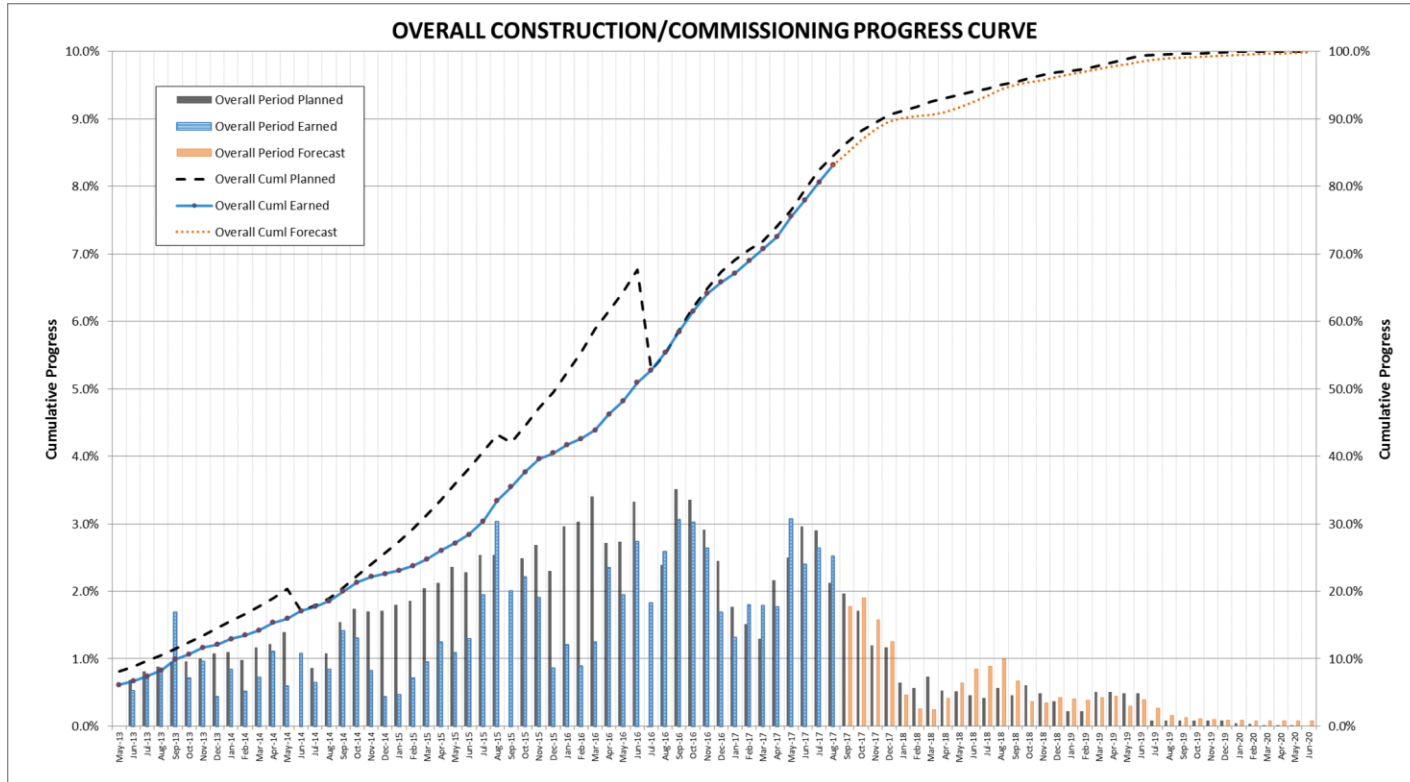
August Reporting
October 26, 2017

Project Progress

Muskrat Falls Project Progress at August 2017

<u>August 2017</u>	<u>Weight Factor</u> %	<u>August 2017 Cumulative %</u>			<u>July</u> <u>2017 Variance</u>
		<u>Planned</u>	<u>Earned</u>	<u>Variance</u>	
Sub-Project	A	B	C	D = C - B	E
Muskrat Falls Generation (MFGen)	46.3%	74.2%	73.3%	-0.9%	-0.3%
Labrador Island Transmission Link (LITL)	43.9%	92.0%	90.3%	-1.7%	-3.1%
Labrador Transmission Asset (LTA)	9.8%	100.0%	97.4%	-2.6%	-3.4%
Muskrat Falls Project - Overall	100.0%	84.5%	83.2%	-1.3%	-1.8%

Overall Progress Curve



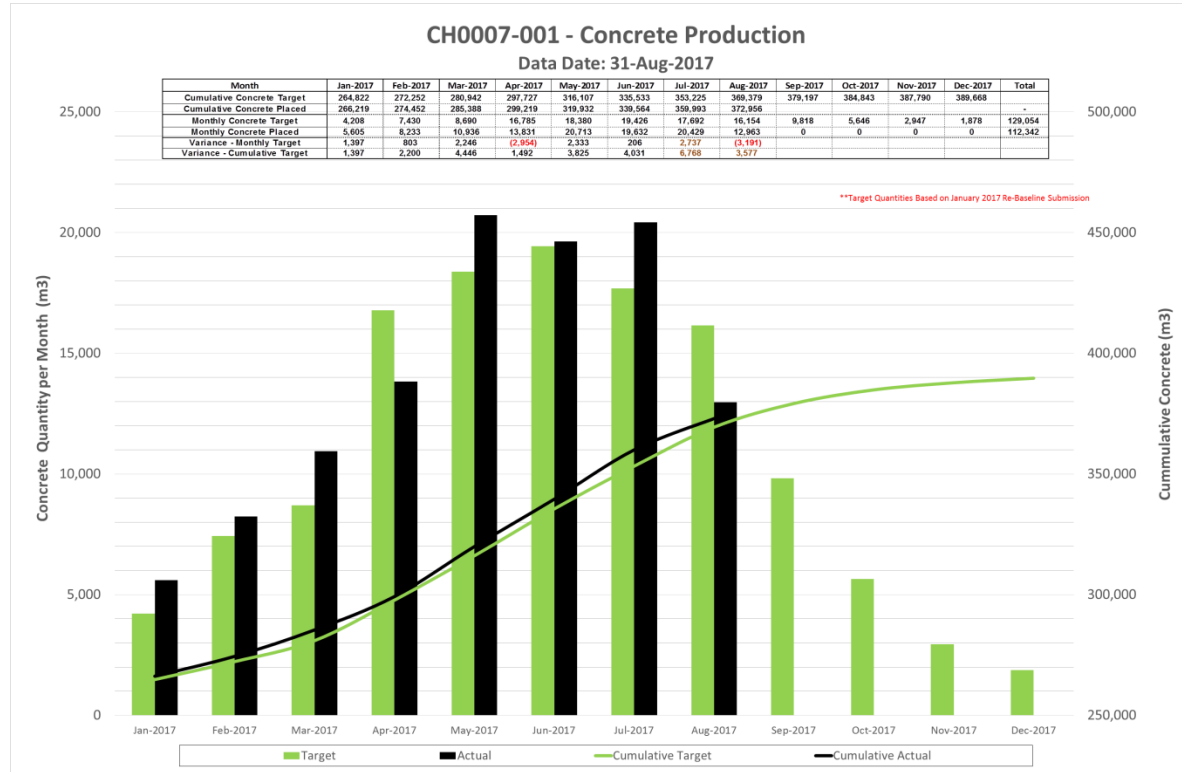
Earned Progress MF Generating Facility



<u>August 2017</u>	Weight Factor %	<u>August 2017 Cumulative %</u>			<u>July 2017 Variance</u>
		<u>Plan</u>	<u>Earned</u>	<u>Variance</u>	
<i>Sub-Project</i>	A	B	C	D = C - B	E
MFG Road/Camp/Constr. Power	8.9%	100.0%	100.0%	0.0%	0.0%
MFG Reservoir Preparation	5.8%	100.0%	98.0%	-2.0%	-2.0%
MFG Spillway & Gates	12.2%	91.5%	85.7%	-5.8%	-5.0%
MFG North Spur Stabilization	3.9%	100.0%	99.5%	-0.5%	-1.0%
MFG North Dam	5.7%	82.7%	37.6%	¹ -45.1%	-31.9%
MFG Powerhouse & Intake	61.3%	61.5%	66.1%	4.6%	4.3%
MFG South Dam	1.1%	99.4%	93.2%	-6.2%	-11.8%
MFG Misc:Eng/ 315kV/Site Rest./logistic	1.1%	83.8%	70.5%	-13.3%	-9.2%
MFGen - Overall	100.0%	74.2%	73.3%	-0.9%	-0.3%

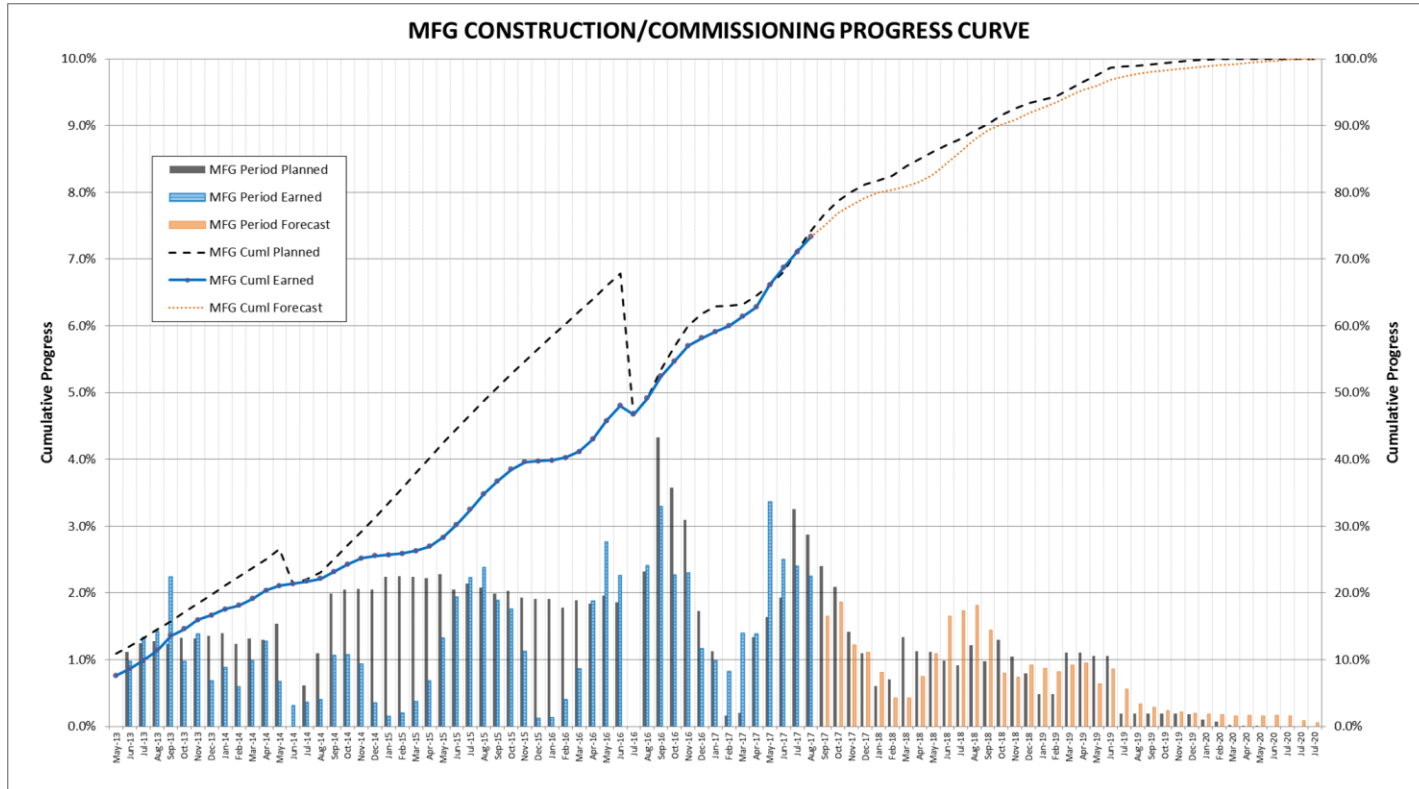
¹Nalcor advises that construction of the North Dam will now occur over two construction seasons. Adjustment of planned progress above to align with the two season construction schedule will occur in September 2017 monthly project reporting

Concrete Production



Progress Curve

MF Generating Facility



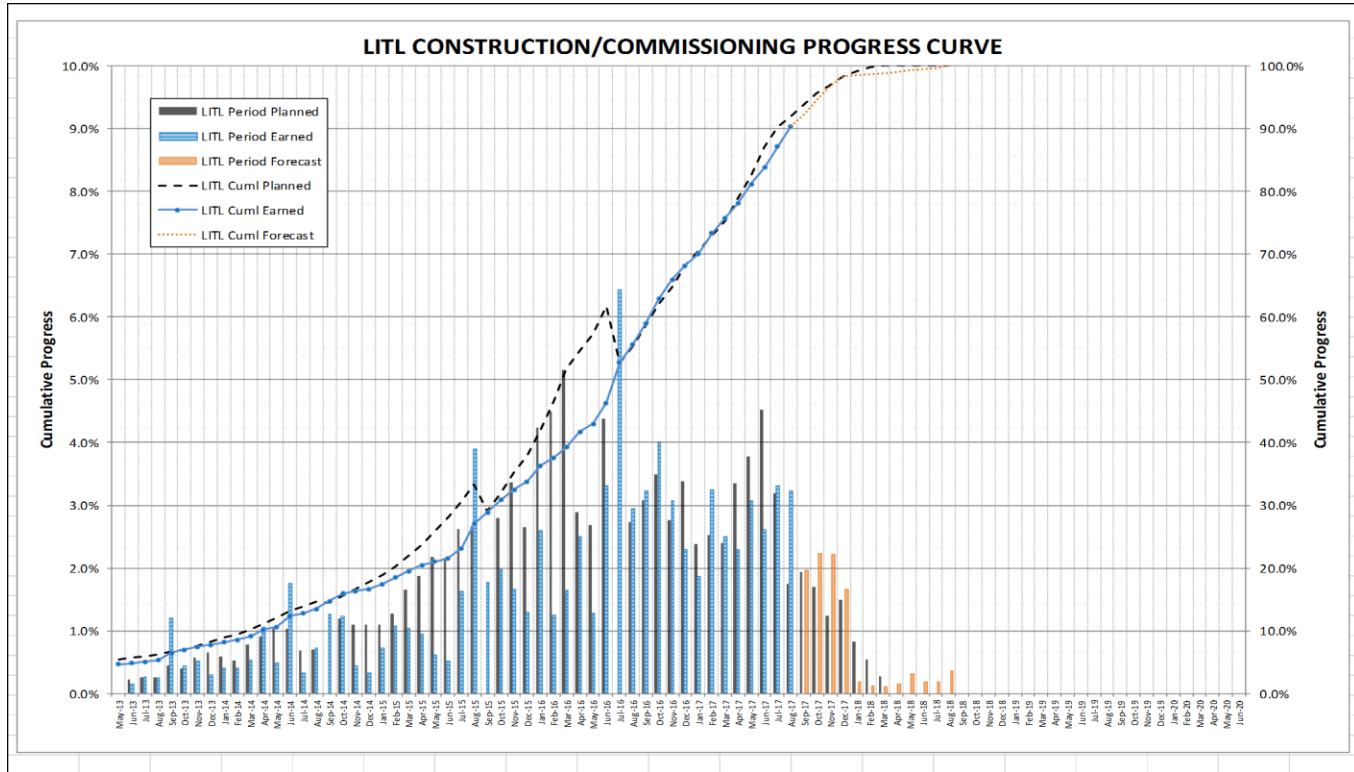
Earned Progress

Labrador Island Transmission Link



<u>August 2017</u>	Weight	<u>August 2017 Cumulative %</u>			<u>July</u>
	<u>Factor %</u>	<u>Plan</u>	<u>Earned</u>	<u>Variance</u>	<u>2017 Variance</u>
<i>Sub-Project</i>	A	B	C	D = C - B	E
LITL Muskrat Falls Converter	6.1%	97.5%	52.9%	-44.6%	-50.8%
LITL Soldiers Pond Converter	5.5%	97.0%	64.8%	-32.2%	-43.7%
LITL HVdc Transmission Line Seg 1/2	26.8%	100.0%	100.0%	0.0%	0.0%
LITL HVdc Transmission Line Seg 3/4/5	34.2%	77.6%	92.0%	14.4%	13.6%
LITL Electrode Sites	0.8%	100.0%	75.0%	-25.0%	-25.0%
LITL Transition Compounds	1.7%	98.0%	62.1%	-35.9%	-34.2%
LITL SOBI Cable Crossing	17.7%	100.0%	100.0%	0.0%	0.0%
LITL Soldiers Pond Switchyard	2.7%	100.0%	99.8%	-0.2%	-2.8%
LITL Soldiers Pond Sync. Condensers	3.1%	100.0%	72.7%	-27.3%	-34.1%
LITL Misc	1.4%	100.0%	70.3%	-29.7%	-30.3%
LITL- Overall	100.0%	92.0%	90.3%	-1.7%	-3.1%

Progress Curve Labrador Island Transmission Link



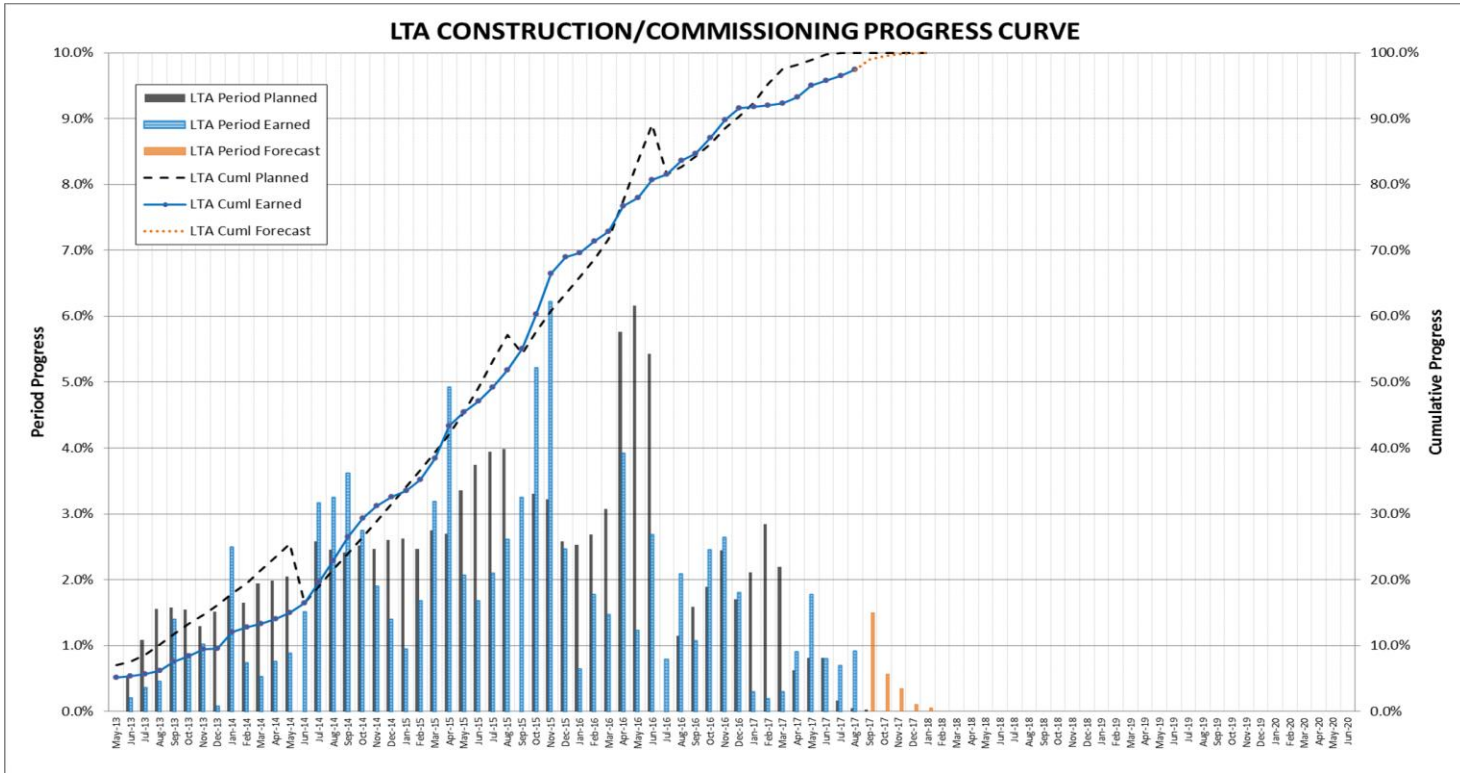
Earned Progress

Labrador Transmission Assets



<u>August 2017</u>	Weight	<u>August 2017 Cumulative %</u>			<u>July 2017</u>
	<u>Factor %</u>	<u>Plan</u>	<u>Earned</u>	<u>Variance</u>	<u>Variance</u>
Sub-Project	A	B	C	D = C - B	E
LTA HVac Transmission Line Seg1/2 - MF to CF	62.8%	100.0%	100.0%	0.0%	0.0%
LTA Churchill Falls Switchyard	21.7%	100.0%	97.1%	-2.9%	-5.2%
LTA Muskrat Falls Switchyard	13.4%	99.8%	88.2%	-11.6%	-14.5%
LTA Misc	2.1%	100.0%	81.6%	-18.4%	-18.4%
LTA - Overall	100.0%	100.0%	97.4%	-2.6%	-3.4%

Progress Curve Labrador Transmission Assets



Project Costs

Muskrat Falls Project Costs at August 2017 (\$000's)

Muskrat Falls Project: Sub-Project	Percentage of Total Budget	Project Budget at June 2017	Planned Costs as of August 2017	Incurred Costs as of August 2017	Percentage of Budget Incurred	Variance Planned vs. Incurred Costs	Variance as % of Planned Costs	Project Forecast Cost
Muskrat Falls Generating Facility	54.36%	\$5,500,056	\$3,569,545	\$3,558,330	64.7%	(\$11,215)	-0.3%	\$5,500,056
Labrador-Island Transmission Link	36.81%	\$3,723,716	\$3,108,771	\$3,055,201	82.0%	(\$53,570)	-1.7%	\$3,723,716
Labrador Transmission Assets	8.83%	\$893,556	\$833,788	\$819,064	91.7%	(\$14,724)	-1.8%	\$893,556
Total	100.0%	\$10,117,328	\$7,512,104	\$7,432,595	73.5%	(\$79,509)	-1.1%	\$10,117,328

Final Forecast Cost unchanged from June 2017 AFE

Contingency Allocation

Contingency Budget at August 2017 (\$ 000's)

	Project Budget June 2017	Project Forecast Cost July 2017	Project Forecast Cost August 2017	Change from Previous Period	Variance PFC from Budget
Muskrat Falls: Sub-project					
Muskrat Falls Generating Facility	\$226,400	\$216,673	\$215,718	(\$955)	(\$10,682)
Labrador-Island Transmission Link	\$102,750	\$77,718	\$77,032	(\$686)	(\$25,718)
Labrador Transmission Assets	\$10,012	\$10,012	\$10,019	\$7	\$7
Total Project	\$339,162	\$304,403	\$302,769	(\$1,634)	(\$36,393)