

Muskrat Falls Project Oversight Committee

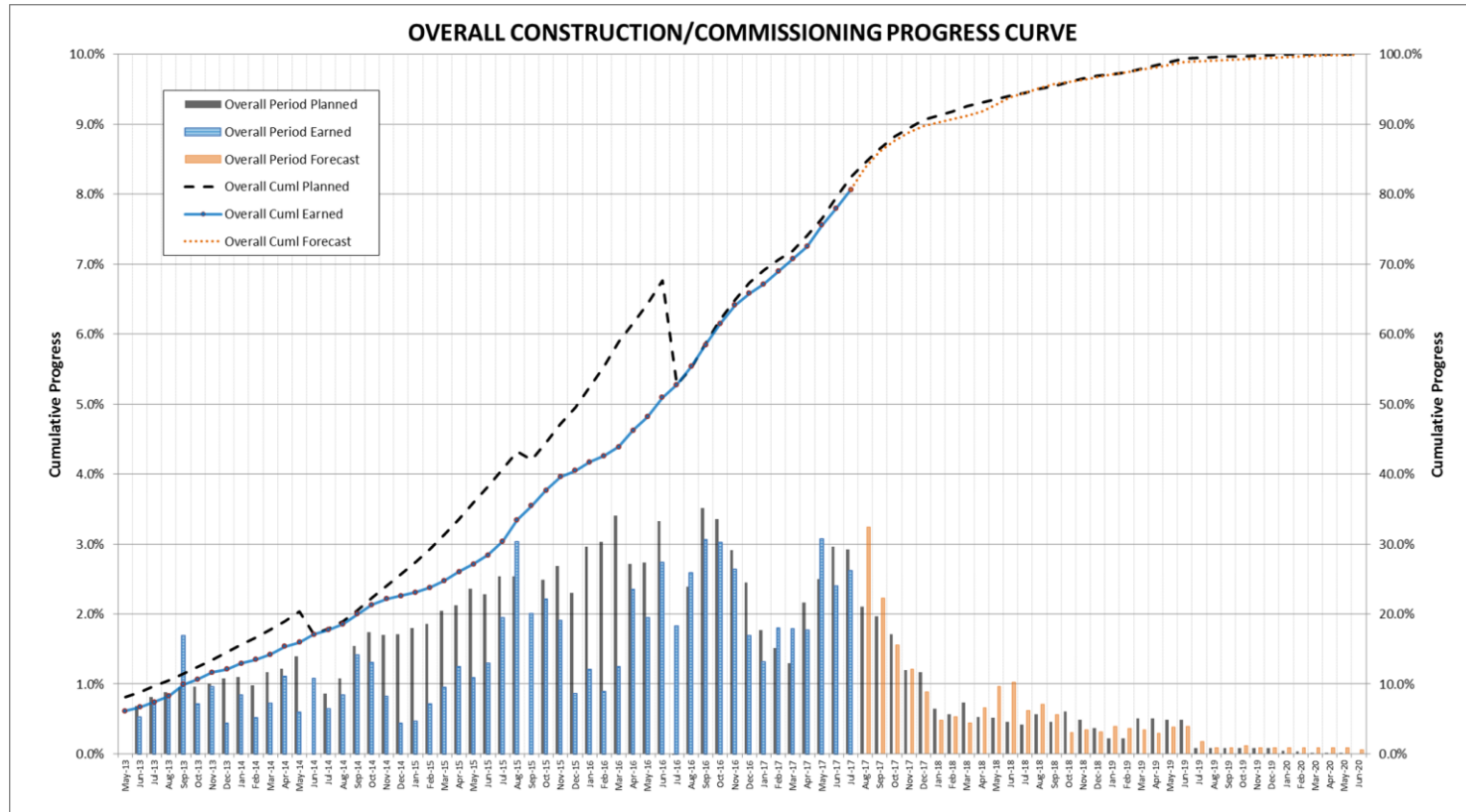
July 2017 Reporting
September 21, 2017

Project Progress

Muskrat Falls Project Progress at July 2017

<u>July 2017</u>	Weight Factor %	July 2017 Cumulative %			<u>June</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 (MFGGen)	46.3%	71.4%	71.1%	-0.3%	0.6%
Labrador Island Transmission Link (LITL)	43.9%	90.2%	87.1%	-3.1%	-3.3%
Labrador Transmission Asset (LTA)	9.8%	99.9%	96.5%	-3.4%	-4.0%
Muskrat Falls Project - Overall	100.0%	82.4%	80.6%	-1.8%	-1.5%

Overall Progress Curve



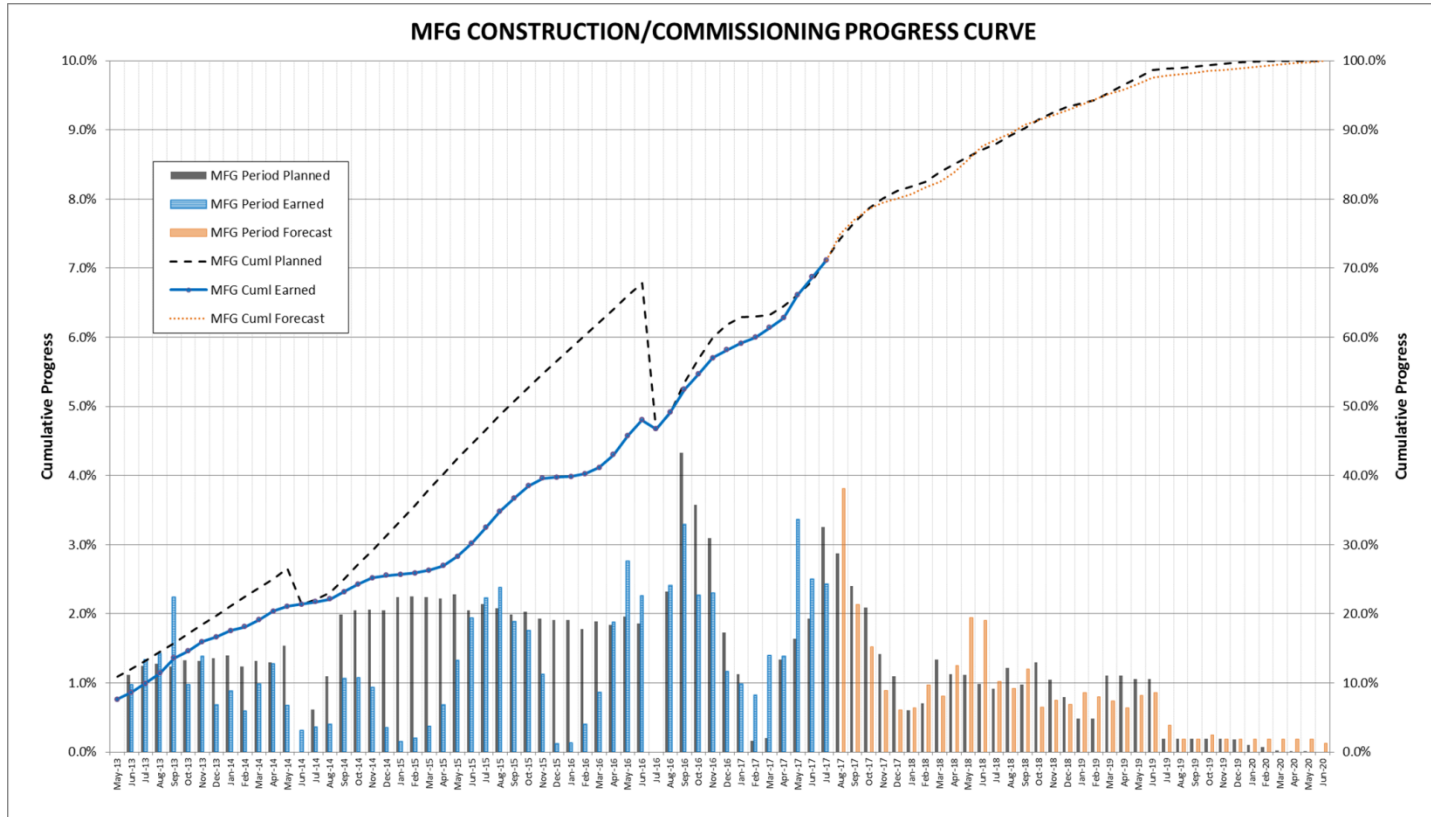
Earned Progress MF Generating Facility

<u>July 2017</u>	Weight Factor %	<u>July 2017 Cumulative %</u>			<u>June 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%	89.5%	84.5%	-5.0%	-1.7%
MFG North Spur Stabilization	3.9%	100.0%	99.0%	-1.0%	-1.5%
MFG North Dam	5.7%	64.6%	32.7%	^{1.} -31.9%	-20.9%
MFG Powerhouse & Intake	61.3%	59.0%	63.3%	4.3%	3.9%
MFG South Dam	1.1%	99.2%	87.4%	-11.8%	-10.1%
MFG Misc:Eng/ 315kV/Site Rest./logistic	1.1%	79.7%	70.5%	-9.2%	-5.1%
MFGen - Overall	100.0%	71.4%	71.1%	-0.3%	0.6%

1. Nalcor 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

Progress Curve

MF Generating Facility



Earned Progress

Labrador Island Transmission Link

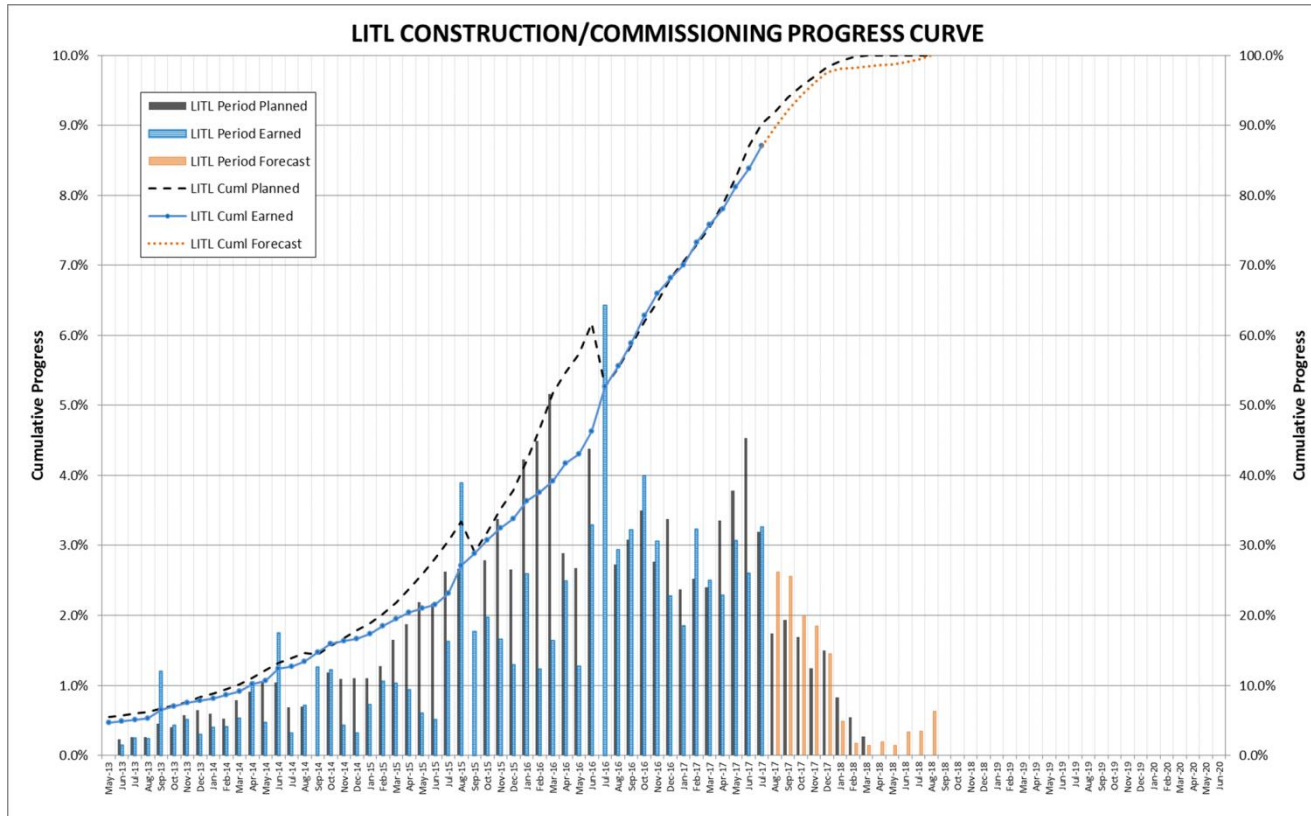


July 2017 <i>Sub-Project</i>	Weight	July 2017 Cumulative %			June
	Factor % A	Plan B	Earned C	Variance D = C - B	2017 Variance E
LITL Muskrat Falls Converter	6.1%	97.4%	46.6%	-50.8%	-47.4%
LITL Soldiers Pond Converter	5.5%	97.0%	53.3%	1. -43.7%	-36.1%
LITL HVdc Transmission Line Seg 1/2	26.8%	100.0%	100.0%	0.0%	0.0%
LITL HVdc Transmission Line Seg 3/4/5	34.2%	72.7%	86.3%	13.6%	10.5%
LITL Electrode Sites	0.8%	100.0%	75.0%	-25.0%	-25.0%
LITL Transition Compounds	1.7%	96.3%	62.1%	2. -34.2%	-8.0%
LITL SOBI Cable Crossing	17.7%	100.0%	100.0%	0.0%	0.0%
LITL Soldiers Pond Switchyard	2.7%	100.0%	97.2%	-2.8%	-3.2%
LITL Soldiers Pond Sync. Condensers	3.1%	99.5%	65.4%	-34.1%	-37.6%
LITL Misc	1.4%	99.1%	68.8%	-30.3%	-29.3%
LITL- Overall	100.0%	90.2%	87.1%	-3.1%	-3.3%

1. Nalcor advises progress trending behind plan, mitigations in place to improve progress, no forecast impact on 1st power by end of Q2 2018
2. Nalcor advises start of work for 2017 construction season delayed, scope not on critical path

Progress Curve

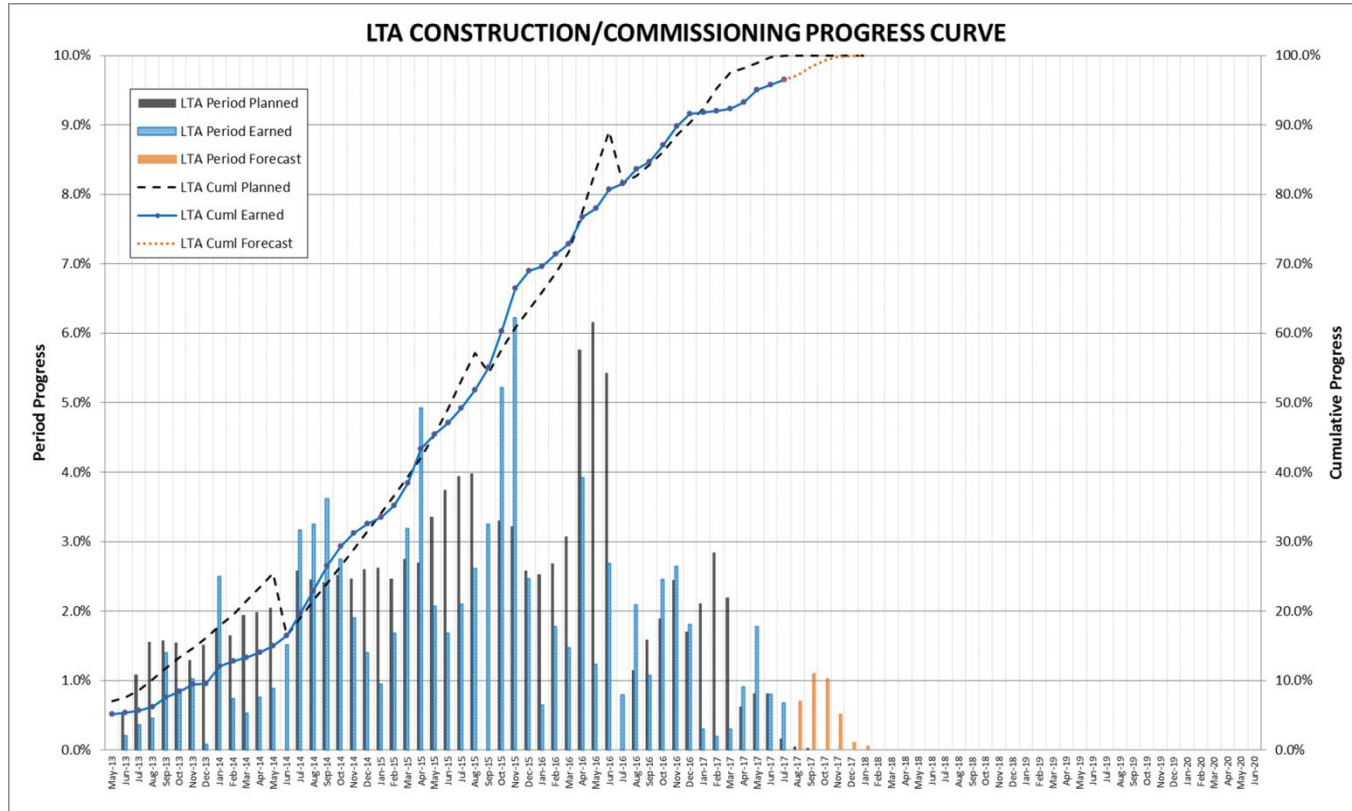
Labrador Island Transmission Link



Earned Progress Labrador Transmission Assets

<u>July 2017</u>	Weight	July 2017 Cumulative %			<u>June 2017</u>
	Factor %	Plan	Earned	Variance	<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%	94.8%	-5.2%	-6.6%
LTA Muskrat Falls Switchyard	13.4%	99.4%	84.9%	-14.5%	-15.9%
LTA Misc	2.1%	100.0%	81.6%	-18.4%	-18.4%
LTA - Overall	100.0%	99.9%	96.5%	-3.4%	-4.0%

Progress Curve Labrador Transmission Assets



Project Costs

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

Muskrat Falls Project: Sub-Project	Percentage of Total Budget	Project Budget at June 2017	Planned Costs as of July 2017	Incurred Costs as of July 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	\$3,446,314	\$3,466,144	63.0%	\$19,830	0.6%	\$5,500,056
Labrador-Island Transmission Link	36.81%	\$3,723,716	\$2,998,203	\$2,931,895	78.7%	(\$66,308)	-2.2%	\$3,723,716
Labrador Transmission Assets	8.83%	\$893,556	\$820,455	\$811,371	90.8%	(\$9,084)	-1.1%	\$893,556
Total	100.0%	\$10,117,328	\$7,264,972	\$7,209,410	71.3%	(\$55,562)	-0.8%	\$10,117,328

Final Forecast Cost overall unchanged based on AFE – June 2017

Contingency Allocation

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

	Project Budget June 2017	Project Forecast Cost June 2017	Project Forecast Cost July 2017	Change from Previous Period	Variance PFC from Budget
Muskrat Falls: Sub-project					
Muskrat Falls Generating Facility	\$226,400	\$226,400	\$216,673	(\$9,727)	(\$9,727)
Labrador-Island Transmission Link	\$102,750	\$102,750	\$77,718	(\$25,032)	(\$25,032)
Labrador Transmission Assets	\$10,012	\$10,012	\$10,012	\$0	\$0
Total Project	\$339,162	\$339,162	\$304,403	(\$34,759)	(\$34,759)

Annex – End of July 2017 Concrete Production

