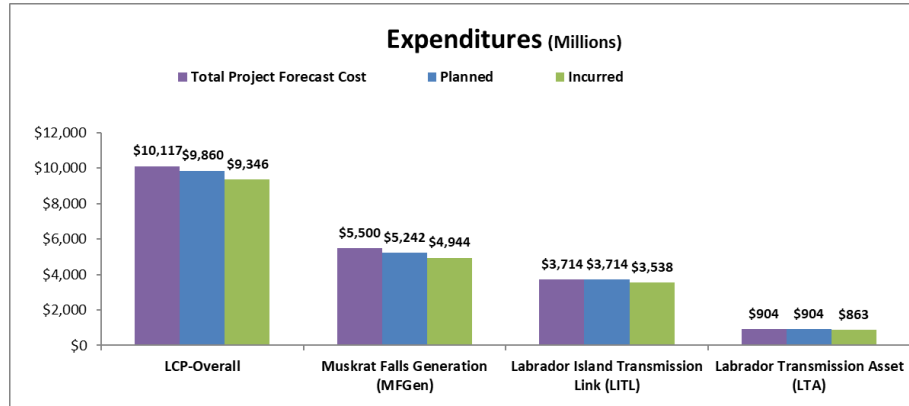
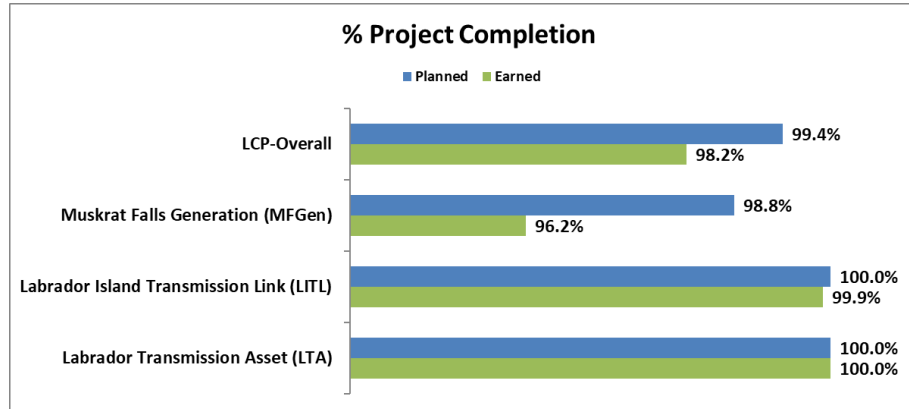


**Muskrat Falls Project
Oversight Committee
July Reporting
September 12, 2019**

July 2019 Project Progress

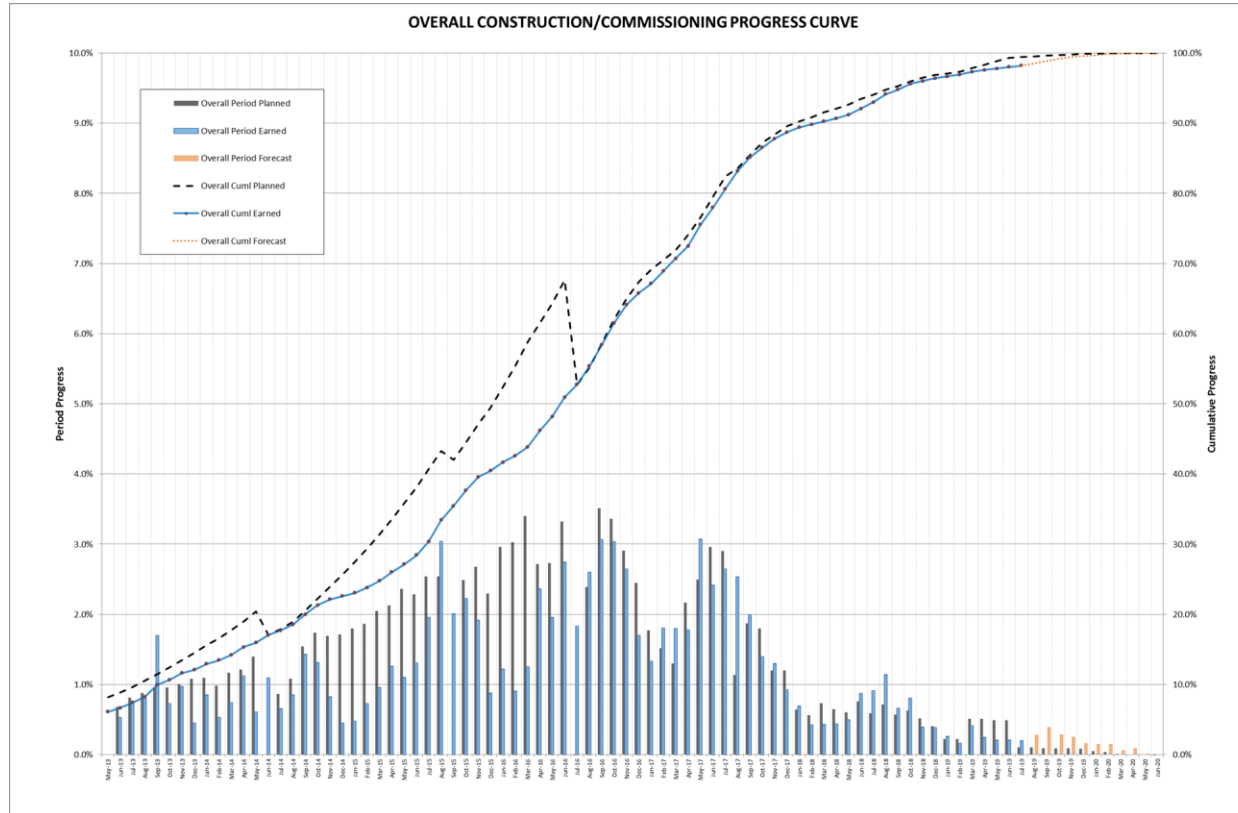


Project Progress

Muskrat Falls Project Progress at July 2019

| <u>July 2019</u> | <u>Weight Factor %</u> | <u>July 2019 Cumulative %</u> | | | <u>June 2019 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% | 98.8% | 96.2% | -2.6% | -2.8% |
| Labrador Island Transmission Link (LITL) | 43.9% | 100.0% | 99.9% | -0.1% | -0.08% |
| Labrador Transmission Asset (LTA) | 9.8% | 100.0% | 100.0% | 0.0% | 0.00% |
| Muskrat Falls Project - Overall | 100.0% | 99.4% | 98.2% | -1.2% | -1.3% |
| *Project - Overall adjusted for planned delay to rollway installation | | 99.0% | 98.2% | -0.8% | |

Overall Progress Curve



Earned Progress

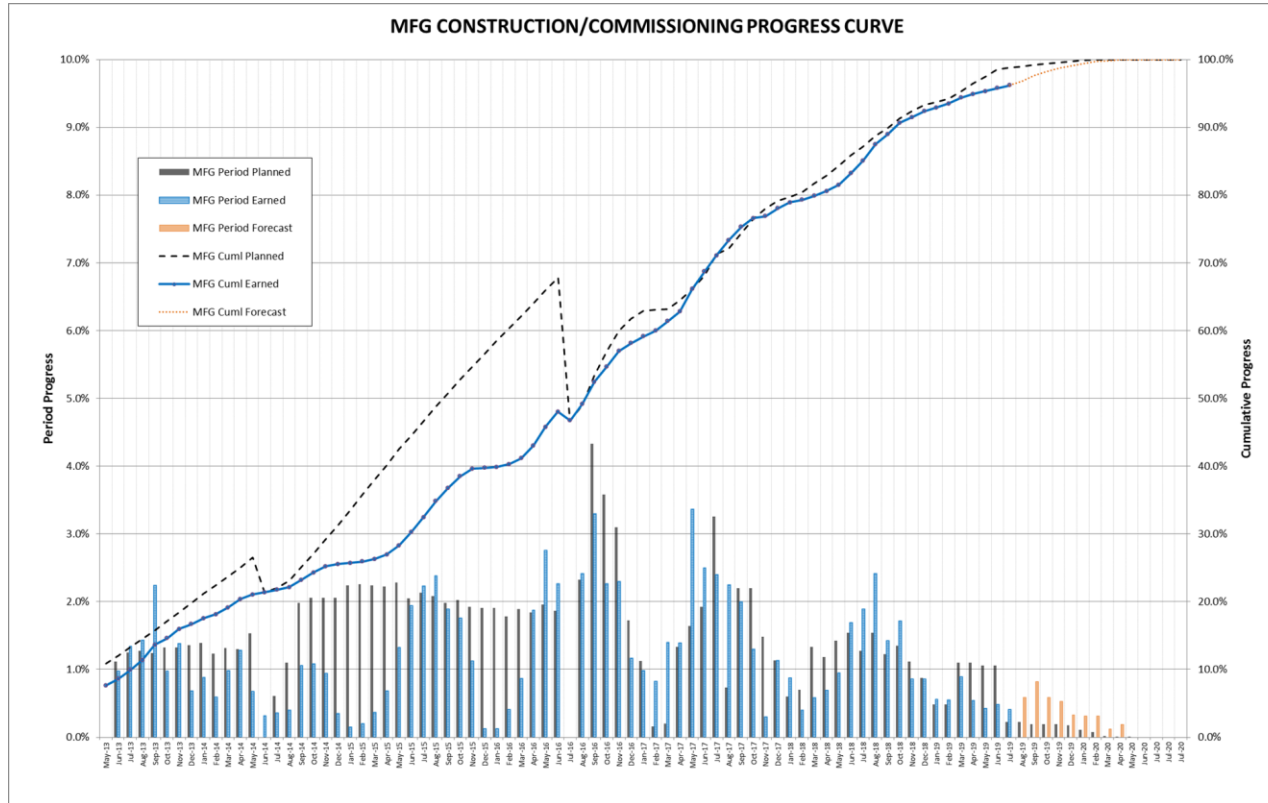
MF Generating Facility

| <u>July 2019</u> | Weight Factor % | July 2019 Cumulative % | | | <u>June 2019</u> <u>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% | 100.0% | 0.0% | 0.0% |
| MFG Spillway & Gates | 12.2% | 100.0% | 92.5% | -7.5% | -8.6% |
| MFG North Spur Stabilization | 3.9% | 100.0% | 100.0% | 0.0% | 0.0% |
| MFG North Dam | 5.7% | 100.0% | 100.0% | 0.0% | 0.0% |
| MFG Powerhouse & Intake | 61.3% | 98.1% | 95.4% | -2.7% | -2.8% |
| MFG South Dam | 1.1% | 100.0% | 100.0% | 0.0% | 0.0% |
| MFG Misc:Eng/ 315kV/Site Rest./logistic | 1.1% | 93.6% | 91.9% | -1.7% | 1.6% |
| MFGGen - Overall | 100.0% | 98.8% | 96.2% | -2.6% | -2.8% |

* MFGGen - Overall adjusted for rollway installation schedule 97.8% 96.2% -1.6%

Progress Curve

MF Generating Facility



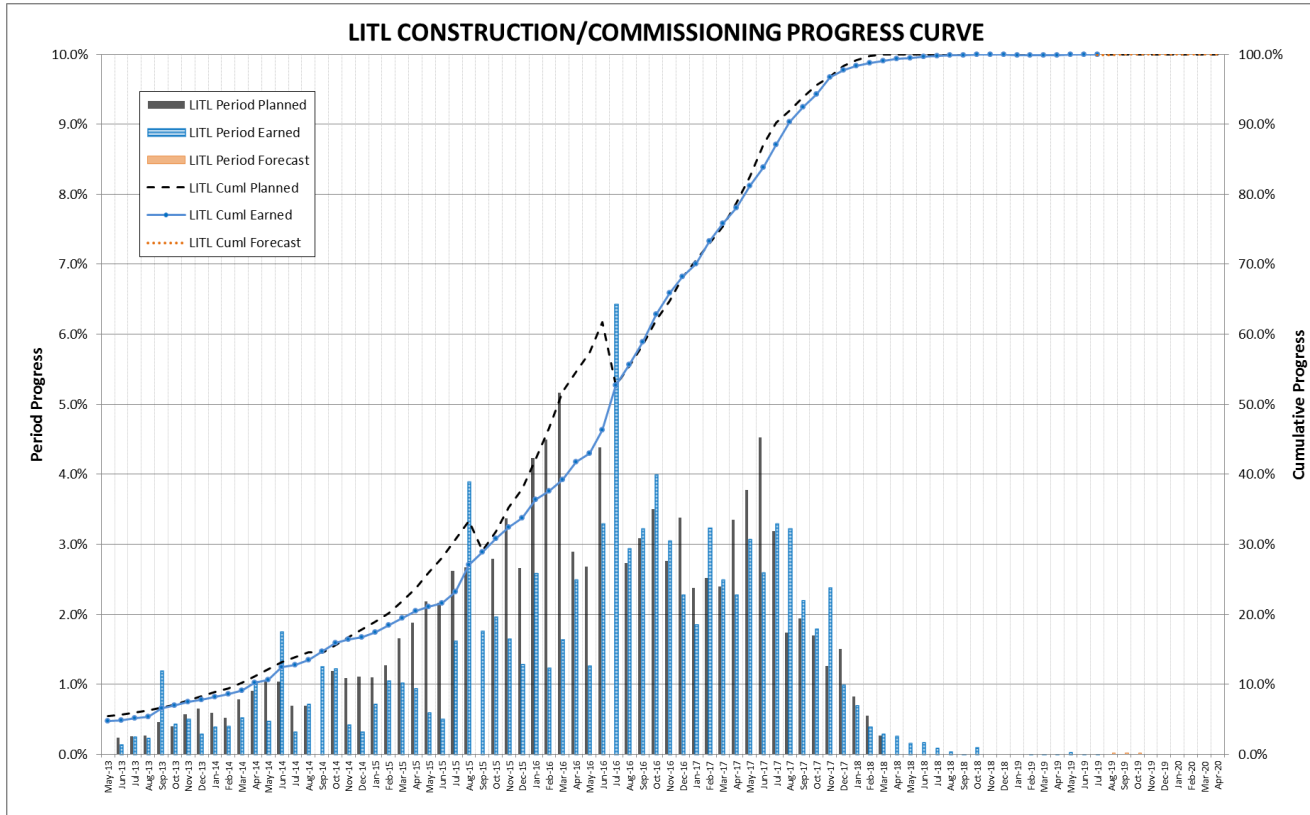
Earned Progress

Labrador Island Transmission Link



| <u>July 2019</u> | Weight | July 2019 Cumulative % | | | <u>June 2019</u> |
|---------------------------------------|-----------------|------------------------|---------------|-----------------|------------------|
| | <u>Factor %</u> | <u>Plan</u> | <u>Earned</u> | <u>Variance</u> | <u>Variance</u> |
| <i>Sub-Project</i> | A | B | C | D = C - B | E |
| LITL Muskrat Falls Converter | 6.1% | 100.0% | 99.6% | -0.4% | -0.5% |
| LITL Soldiers Pond Converter | 5.5% | 100.0% | 99.3% | -0.7% | -0.7% |
| 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% | 100.0% | 100.0% | 0.0% | 0.0% |
| LITL Electrode Sites | 0.8% | 100.0% | 100.0% | 0.0% | 0.0% |
| LITL Transition Compounds | 1.7% | 100.0% | 100.0% | 0.0% | 0.0% |
| LITL SOBI Cable Crossing | 17.7% | 100.0% | 100.0% | 0.0% | 0.0% |
| LITL Soldiers Pond Switchyard | 2.7% | 100.0% | 100.0% | 0.0% | 0.0% |
| LITL Soldiers Pond Sync. Condensers | 3.1% | 100.0% | 99.7% | -0.3% | -0.3% |
| LITL Misc | 1.4% | 100.0% | 100.0% | 0.0% | 0.0% |
| LITL- Overall | 100.0% | 100.0% | 99.9% | -0.1% | -0.08% |

Progress Curve Labrador Island Transmission Link



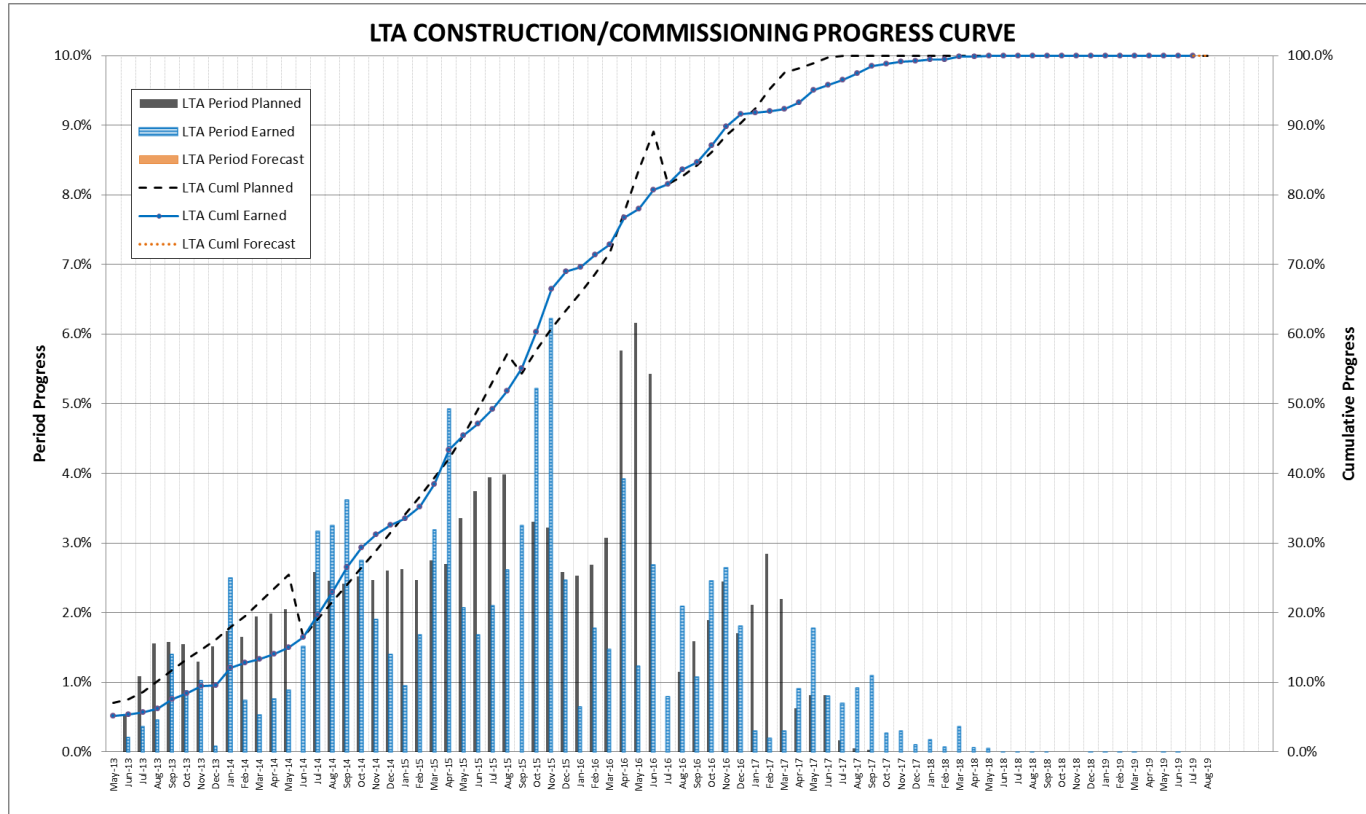
Earned Progress

Labrador Transmission Assets

| <u>July 2019</u> | Weight | <u>July 2019 Cumulative %</u> | | | <u>June 2019</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% | 100.0% | 0.0% | 0.0% |
| LTA Muskrat Falls Switchyard | 13.4% | 100.0% | 100.00% | 0.00% | 0.00% |
| LTA Misc | 2.1% | 100.0% | 100.00% | 0.00% | 0.00% |
| LTA - Overall | 100.0% | 100.0% | 100.00% | 0.00% | 0.00% |

Progress Curve

Labrador Transmission Assets



Project Costs

Muskrat Falls Project Costs at July 2019 (\$000's)

| Muskrat Falls Project: Sub-Project | Percentage of Total Budget | Project Budget at June 2017 (LTA and LITL Contingency amended in March 2018) | Planned Costs as of July 2019 | Incurred Costs as of July 2019 | 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 | \$5,242,498 | \$4,944,137 | 89.9% | (\$298,361) | -5.7% | \$5,500,056 |
| Labrador-Island Transmission Link | 36.71% | \$3,713,716 | \$3,713,716 | \$3,538,474 | 95.3% | (\$175,242) | -4.7% | \$3,713,716 |
| Labrador Transmission Assets | 8.93% | \$903,556 | \$903,556 | \$863,262 | 95.5% | (\$40,294) | -4.5% | \$903,556 |
| Total | 100.0% | \$10,117,328 | \$9,859,770 | \$9,345,873 | 92.4% | (\$513,897) | -5.2% | \$10,117,328 |

Overall Final Forecast Cost unchanged from June 2017 AFE. Additional risks (\$835 million) not included.

Contingency Allocation

Contingency Budget at July 2019 (\$ 000's)

| | Project Budget June 2017 and amended March 2018 | Project Forecast Cost June 2019 | Project Forecast Cost July 2019 | Change from Previous Period | Variance PFC from Budget |
|------------------------------|---|---------------------------------|---------------------------------|-----------------------------|--------------------------|
| Muskrat Falls Project | | | | | |
| Total Project | \$339,162 | \$140,695 | \$130,800 | (\$9,895) | (\$208,362) |