

1 Q. The Nalcor website has an information sheet titled “*Lower Churchill Project Capital*
2 *Expenditures*” that states as of December 30, 2010 the cumulative expenditures for
3 the Lower Churchill Project were \$350 million. Provide the total expenditures to
4 September 30, 2011 including all work completed or in progress by SNC Lavalin and
5 other engineering, financial, legal and all other services. In the response, provide
6 the same level of detail as provided on the Nalcor website in the information sheet
7 “*Lower Churchill Project Capital Expenditures*”.

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10 A. There has been \$406.4 million, including interest charges of \$78.9 million, invested
11 in the Lower Churchill Project since the 1970s. At December 31, 2003, \$118.7
12 million spent between the 1970s up to 2003 was written off. This money was spent
13 on a number of project expenses for the Lower Churchill Project that was for work
14 outside Phase 1 (Muskrat Falls and the Labrador Island Transmission Link) and
15 Phase 2 (Gull Island). Expenditures to September 30, 2011 includes all work
16 completed or in progress by SNC Lavalin and other engineering, financial, legal and
17 all other services.

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19 The following provides details as of September 30, 2011 of cumulative expenditures
20 on evaluating the development of the Lower Churchill Project (including write-
21 downs and recoveries). Please note that all amounts are reported below in millions
22 of dollars.

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24 Please note the expenditures below are shown separately for Phase 1 (Muskrat
25 Falls and the Labrador Island Transmission Link) and Phase 2 (Gull Island) of the
26 project, whereas they were combined on the website.

Nalcor Energy - Lower Churchill Project				
Expenditure Summary (incl. write-downs and recoveries)				
		As of: September 30, 2011		
Expenditure Category	Expenditures Written Off At December 31, 2003 ¹	Muskrat Falls & Labrador Island Transmission Link Expenditures	Gull Island Expenditures	Total Expenditures
General Administration	17.2	6.6	7.8	31.6
Project Management	0.0	54.6	27.0	81.6
Feasibility Engineering	77.1	38.5	34.9	150.5
Environmental Assessment	1.2	18.0	34.9	54.1
Aboriginal Affairs	0.4	3.0	9.1	12.5
Project Financing	0.3	8.0	6.2	14.5
Sub-Total	96.2	128.7	119.9	344.9
Interest Charges	34.7	12.2	32.0	78.9
Recovery ²	(12.3)	(1.5)	(3.6)	(17.4)
Total	118.7	139.4	148.3	406.4
Notes:				
(1) Includes GIPCo and Lower Churchill Development Company.				
(2) Recoveries : \$12.3M from Federal Government share of LCDC; \$5.1M of recoveries from HQ share of LHP (68/32 working relationship) on agreed expenditures.				