



- Phase One of the Lower Churchill Project, often referred to as the Muskrat Falls development, was sanctioned in 2012 and is expected to take approximately 5 years to construct.
- Phase One consists of the Muskrat Falls hydroelectric generation facility, the Labrador-Island Transmission Link and the Maritime Transmission Link.

Project Benefits

- Construction of Muskrat Falls will create significant employment, income and taxation benefits for Newfoundland and Labrador, as well as Canada.
- Economic impacts, including employment, income and taxation benefits, are categorized as direct, indirect and induced.
 - Direct impacts are associated directly with the Project including engineering and construction activities such as erecting transmission lines or operating heavy equipment on site.
 - Indirect impacts are associated with materials, services and equipment purchased by the Project such as workers involved with fabrication of equipment at supplier locations.
 - Induced impacts are those that occur in the services sector throughout the economy as direct and indirect income is spent.
- Direct employment benefits during engineering and construction will reach more than 70 occupations.

Newfoundland and Labrador

The Benefits Strategy between Nalcor and the provincial government ensures the people of Newfoundland and Labrador will be the primary beneficiaries of the Lower Churchill Project.

- Total direct, indirect and induced employment in the province is estimated to be 23,300 person-years.
- Direct employment in Newfoundland and Labrador will reach its peak in 2015 at an average of 3,100 people.
- After construction is complete, Newfoundland and Labrador employment will continue with an estimated 80 direct full time jobs during the operational life of the Project.

| Newfoundland and Labrador | Phase One |
|--|---------------|
| Direct employment in province (person-years) ¹ | 9,100 |
| Direct employment occurring in Labrador (person-years) ¹ | 5,800 |
| Total employment (direct, indirect, induced) (person-years) ¹ | 23,300 |
| Total income to labour and business | \$1.9 billion |
| Average income benefits per year | \$320 million |
| Taxes to provincial government | \$290 million |

¹ One person-year represents 2,000 hours of work per year – the equivalent of someone working 40 hours per week, for 50 weeks.

- In addition to the employment, income and taxation benefits, the Project will displace oil-fired electricity from the Holyrood Generating Station powering the province through 98 per cent renewable energy and reducing greenhouse gas emissions.



Labrador

- The Provincial Government’s Benefits Strategy for the Project specifically provides first consideration to commitments made in any Impacts and Benefits Agreement and then qualified residents of Labrador before those from other parts of the province or country.
- More than 8,000 person-years of direct, indirect and induced employment will take place in Labrador –an average of 1,330 people per year – throughout the development of Muskrat Falls.
- Of the 80 direct full-time jobs in the province during operations, more than half will be in Labrador.
- Total direct, indirect and induced employment in Labrador during operations is estimated to be 60 jobs.
- More than 75% of the direct labour for the Muskrat Falls generation facility will be undertaken in Labrador.
- Approximately \$500 million in income to business and labour will be earned by Labradorians and Labrador-based businesses.

Atlantic Canada

- Nalcor’s partnership with Emera Inc. in Nova Scotia and the construction of the Maritime Transmission Link, will allow our neighbors in Nova Scotia and all of Atlantic Canada to benefit from the Project.
- The economic impacts presented are related only to the capital projects contemplated. Once the connection with Newfoundland has been established, it is expected that there will be additional capital projects throughout Nova Scotia as Emera improves its transmission grid. The impacts of these projects are not considered in this breakdown.

Atlantic Canada (NL, NS, NB, PEI)

Phase One

| | |
|---|---------------|
| Direct employment in region (person-years) ¹ | 9,700 |
| Total employment (person-years) ¹ | 26,600 |
| Total income benefits per year | \$2.2 billion |
| Average income benefits per year | \$370 million |
| Taxes to provincial government | \$340 million |

¹ One person-year represents 2,000 hours of work per year – the equivalent of someone working 40 hours per week, for 50 weeks.

- In addition to the employment, income and taxation benefits, importing clean, renewable energy from Newfoundland and Labrador will allow Nova Scotia to reduce its greenhouse gas emissions.

Canada

- The development of Muskrat Falls and the transmission link to Nova Scotia is a national project, as reflected by the significant Canada-wide benefits that will be realized during construction and operations.

Canada

Phase One

| | |
|---|---------------|
| Direct employment occurring in Canada (person-years) ¹ | 10,400 |
| Total employment (person-years) ¹ | 59,500 |
| Total income to labour and business | \$4.7 billion |
| Average income benefits per year | \$780 million |
| Taxes to federal government | \$710 million |

¹ One person-year represents 2,000 hours of work per year – the equivalent of someone working 40 hours per week, for 50 weeks.

