

# Financial Benefit to Newfoundland & Labrador Treasury

## Churchill Falls 2024 Memorandum of Understanding

The new MOU is expected to bring \$227 Billion to the provincial treasury: the benefits flowing from the new price for power from the existing Churchill Falls plant and from new developments on the Churchill River (Gull Island, second power plant at Churchill Falls, and upgrades at the existing plant).

The existing Churchill Falls payments are calculated from Newfoundland and Labrador Hydro's ownership of Churchill Falls plant minus costs to run the plant, and payments to the province for water rentals and royalties.

The new developments revenue comes from Newfoundland and Labrador Hydro's ownership share of the new developments minus operating costs to run the plants, and payments to the province for water rentals and royalties.

## Revenues, Expenses & Dividends (Nominal \$ Billions)

	TO EXISTING CF		TO NEW DEVELOPMENTS		TOTAL	
	HQ	NLH	HQ	NLH	HQ	NLH
<b>Forecast Payments</b>	195	65	136		396	
<b>Forecast Expenses</b>						
Operations, Maintenance, Interest, etc.	(12)		(64)		(76)	
Water Rental and Royalties	(12)		(5)		(16)	
<b>Forecast Profit*</b>	<b>236</b>		<b>68</b>		<b>303</b>	
Preferred Dividends	0	36	0	0	0	36
Common Dividends	69	132	24	43	93	175
<b>Forecast Dividends</b>	<b>69</b>	<b>168</b>	<b>24</b>	<b>43</b>	<b>93</b>	<b>211</b>
Water Rental and Royalties paid to GNL		12		5		16
<b>Total Forecast NL Treasury Benefit</b>		<b>179</b>		<b>48</b>		<b>227</b>

Small differences in totals are related to rounding.

\*Please note, 'Forecast Profit' represents forecast funds available to shareholders reflecting revenues, expenditures, required capital investments, and other investing activities.