NEWFOUNDLAND AND LABRADOR HYDRO
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
September 30, 2016
(Unaudited)

NEWFOUNDLAND AND LABRADOR HYDRO
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Unaudited)

As at (millions of Canadian dollars)	Notes	**September 30 2016**	December 31 2015
ASSETS			
Current assets			
Cash and cash equivalents		**32.9**	40.1
Short-term investments		**13.2**	-
Trade and other receivables		**66.1**	108.6
Inventories		**86.6**	77.9
Current portion of sinking funds		**68.6**	-
Prepayments		**8.8**	5.8
Derivative asset	17	**-**	1.9
Deferred asset	3	**15.3**	61.2
Total current assets		**291.5**	295.5
Non-current assets			
Property, plant and equipment	4	**2,203.2**	2,108.6
Intangible assets	5	**8.0**	7.1
Other long-term assets	7	**229.3**	273.8
Investment in joint arrangement		**1.2**	1.2
Total assets		**2,733.2**	2,686.2
Regulatory deferrals	6	**137.4**	144.3
Total assets and regulatory deferrals		**2,870.6**	2,830.5
LIABILITIES AND EQUITY			
Current liabilities			
Short-term borrowings	8	**118.0**	97.0
Trade and other payables		**151.7**	133.3
Current portion of long-term debt	8	**367.8**	233.4
Deferred credits		**0.5**	0.4
Current portion of deferred contributions	9	**1.1**	1.1
Derivative liability	17	**9.2**	61.2
Total current liabilities		**648.3**	526.4
Non-current liabilities			
Long-term debt	8	**872.2**	1,007.0
Deferred contributions	9	**12.2**	11.6
Decommissioning liabilities	10	**28.9**	28.8
Employee future benefits		**125.0**	120.5
Total liabilities		**1,686.6**	1,694.3
Shareholder’s equity			
Share capital	13	**22.5**	22.5
Shareholder contributions	13	**118.9**	118.7
Reserves		**17.1**	10.6
Retained earnings		**677.2**	654.4
Total equity		**835.7**	806.2
Total liabilities and equity		**2,522.3**	2,500.5
Regulatory deferrals	6	**348.3**	330.0
Total liabilities, equity and regulatory deferrals		**2,870.6**	2,830.5

Commitments and contingencies (Note 19)
Subsequent event (Note 23)

See accompanying notes

NEWFOUNDLAND AND LABRADOR HYDRO
CONSOLIDATED STATEMENT OF PROFIT AND COMPREHENSIVE INCOME
(Unaudited)

For the period ended September 30 (millions of Canadian dollars)	Notes	**Three months ended** **2016**	2015	**Nine months ended** **2016**	2015
					(Note 22)
Energy sales		**95.4**	120.0	**480.4**	564.5
Other revenue		**6.8**	2.1	**20.8**	6.4
Revenue		**102.2**	122.1	**501.2**	570.9
Fuels		**17.4**	20.3	**117.6**	137.9
Power purchased		**22.4**	22.4	**74.7**	74.5
Operating costs	14	**44.7**	57.6	**140.2**	166.7
Depreciation and amortization	4,5	**21.3**	19.1	**63.1**	57.2
Net finance (income) expense	15	**17.8**	17.8	**54.3**	53.9
Other (income) expense	16	**2.2**	1.9	**(6.3)**	(1.7)
Share of loss of joint arrangement		**-**	-	**-**	0.1
(Loss) profit before regulatory adjustments		**(23.6)**	(17.0)	**57.6**	82.3
Regulatory adjustments	6	**(26.6)**	(16.6)	**25.7**	58.7
Profit (loss) for the period		**3.0**	(0.4)	**31.9**	23.6
Other comprehensive income (loss) for the period					
Total items that may or have been reclassified to profit or					
Regulatory adjustment		**0.2**	-	**0.5**	-
Net fair value gain on available-for-sale		**3.6**	(0.2)	**13.7**	7.9
Amounts reclassified to profit or loss		**(2.6)**	(2.5)	**(7.7)**	(7.3)
Other comprehensive income (loss) for the period		**1.2**	(2.7)	**6.5**	0.6
Total comprehensive income (loss) for the period		**4.2**	(3.1)	**38.4**	24.2

NEWFOUNDLAND AND LABRADOR HYDRO
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(Unaudited)

(millions of Canadian dollars)	Notes	Share Capital	Shareholder Contributions	Fair Value Reserve	Employee Benefit Reserve	Retained Earnings	Total
Balance at January 1, 2016		**22.5**	**118.7**	**41.4**	**(30.8)**	**654.4**	**806.2**
Profit for the period		**-**	**-**	**-**	**-**	**31.9**	**31.9**
Other comprehensive income							
Net change in fair value of available-for-sale financial instruments	**12**	**-**	**-**	**13.7**	**-**	**-**	**13.7**
Net change in fair value of financial instruments reclassified to profit or loss	**12**	**-**	**-**	**(7.7)**	**-**	**-**	**(7.7)**
Regulatory adjustment	**6,12**	**-**	**-**	**-**	**0.5**	**-**	**0.5**
Total comprehensive income for the period		**-**	**-**	**6.0**	**0.5**	**31.9**	**38.4**
Shareholder contributions	**13**	**-**	**0.2**	**-**	**-**	**-**	**0.2**
Dividends	**13**	**-**	**-**	**-**	**-**	**(9.1)**	**(9.1)**
Balance at September 30, 2016		**22.5**	**118.9**	**47.4**	**(30.3)**	**677.2**	**835.7**
Balance at January 1, 2015		22.5	118.6	41.3	(46.1)	655.9	792.2
Profit for the period		-	-	-	-	23.6	23.6
Other comprehensive income							
Net change in fair value of available-for-sale financial instruments	12	-	-	7.9	-	-	7.9
Net change in fair value of financial instruments reclassified to profit or loss	12	-	-	(7.3)	-	-	(7.3)
Total comprehensive income for the period		-	-	0.6	-	23.6	24.2
Shareholder contributions	13	-	0.1	-	-	-	0.1
Dividends	13	-	-	-	-	(34.6)	(34.6)
Balance at September 30, 2015		22.5	118.7	41.9	(46.1)	644.9	781.9

See accompanying notes

NEWFOUNDLAND AND LABRADOR HYDRO
CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

For the period ended September 30 (millions of Canadian dollars)	Notes	**Three months ended 2016**	Three months ended 2015	**Nine months ended 2016**	Nine months ended 2015
Cash provided from (used in)					
Operating activities					
Profit (loss) for the period		**3.0**	(0.4)	**31.9**	23.6
Adjusted for items not involving a cash flow:					
Depreciation and amortization	4,5	**21.3**	19.1	**63.1**	57.2
Amortization of deferred contributions	9	**(0.3)**	(0.2)	**(0.8)**	(0.6)
Accretion	15	**0.3**	0.3	**0.9**	1.0
Employee benefits		**1.5**	1.6	**4.5**	5.1
Regulatory adjustments	6	**(26.8)**	(16.6)	**25.2**	58.7
Loss on disposal of property, plant and equipment	16	**0.2**	0.5	**0.9**	1.2
Net changes in PPA fair value	16(a)	**2.6**	-	**(6.1)**	-
Share of loss of joint arrangement		**-**	-	**-**	0.1
Other		**(3.3)**	(0.2)	**(8.4)**	(9.4)
		(1.5)	4.1	**111.2**	136.9
Changes in non-cash working capital balances	20	**(25.0)**	(11.4)	**19.2**	11.5
Net cash (used in) provided from operating activities		**(26.5)**	(7.3)	**130.4**	148.4
Investing activities					
Additions to property, plant and equipment	4	**(89.3)**	(46.0)	**(157.9)**	(115.8)
Additions to intangible assets	5	**(0.4)**	-	**(2.0)**	-
Increase (decrease) in short-term investments		**-**	18.1	**(13.2)**	3.3
Increase in sinking funds		**(5.8)**	(5.8)	**(8.2)**	(8.3)
Proceeds on disposal of property, plant and equipment		**-**	0.4	**0.2**	0.5
Changes in non-cash working capital balances	20	**18.0**	10.3	**30.0**	(1.7)
Net cash used in investing activities		**(77.5)**	(23.0)	**(151.1)**	(122.0)
Financing activities					
Retirement of long-term debt		**-**	-	**(0.1)**	-
Dividends paid to Nalcor Energy	13	**(2.8)**	(12.2)	**(9.1)**	(34.6)
Increase in short-term borrowings	8	**84.0**	43.0	**21.0**	18.0
Decrease in long-term receivables		**-**	1.7	**-**	-
Increase in long-term payable		**-**	1.0	**-**	0.5
Increase in shareholder contributions		**-**	0.1	**0.2**	0.1
Increase in deferred contributions	9	**0.1**	0.4	**1.4**	0.8
(Decrease) increase in deferred credits		**(0.1)**	(0.1)	**0.1**	-
Net cash provided from (used in) financing activities		**81.2**	33.9	**13.5**	(15.2)
Net (decrease) increase in cash and cash equivalents		**(22.8)**	3.6	**(7.2)**	11.2
Cash and cash equivalents, beginning of period		**55.7**	33.0	**40.1**	25.4
Cash and cash equivalents, end of period		**32.9**	36.6	**32.9**	36.6
Interest received		**0.7**	0.5	**1.9**	1.7
Interest paid		**34.1**	34.0	**76.8**	76.7

See accompanying notes

1. DESCRIPTION OF BUSINESS

Newfoundland and Labrador Hydro (Hydro or the Company) is incorporated under a special act of the Legislature of the Province of Newfoundland and Labrador (the Province). The principal activity of Hydro is the generation, transmission and sale of electricity. Hydro's operations include both regulated and non-regulated activities. Hydro is a 100% owned subsidiary of Nalcor Energy (Nalcor). Hydro's head office is located at 500 Columbus Drive St. John's, Newfoundland and Labrador A1B 0C9, Canada.

Hydro holds interests in the following entities:

A 65.8% interest in Churchill Falls (Labrador) Corporation Limited (Churchill Falls). Churchill Falls is incorporated under the laws of Canada and owns and operates a hydroelectric generating plant and related transmission facilities situated in Labrador which has a rated capacity of 5,428 megawatts (MW).

A 51% interest in Lower Churchill Development Corporation (LCDC), an inactive subsidiary. LCDC is incorporated under the laws of Newfoundland and Labrador and was established with the objective of developing all or part of the hydroelectric potential of the Lower Churchill River.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance and Basis of Measurement

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards 34 - Interim Financial Reporting and have been prepared using accounting policies consistent with those used in the preparation of the annual audited consolidated financial statements for the year ended December 31, 2015.

These condensed consolidated interim financial statements do not include all of the disclosures normally found in Hydro's annual audited consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements. Interim results will fluctuate due to the seasonal nature of electricity demand and water flows, as well as timing and recognition of regulatory items. Due to higher electricity demand during the winter months, revenue from electricity sales is higher during the first and fourth quarters.

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments at fair value through profit or loss and available-for-sale financial assets which have been measured at fair value. The condensed consolidated interim financial statements are presented in Canadian Dollars (CAD) and all values rounded to the nearest million, except when otherwise noted. The condensed consolidated interim financial statements were approved by Hydro's Board of Directors (the Board) on November 10, 2016.

2.2 Basis of Consolidation

The condensed consolidated interim financial statements include the financial statements of Hydro, its subsidiary company, LCDC, and its share of investments in a joint operation and a joint arrangement. Intercompany transactions and balances have been eliminated upon consolidation.

Effective June 18, 1999, Hydro, Churchill Falls, and Hydro-Québec entered into a Shareholders' Agreement (the Shareholders' Agreement) which provided, among other matters, that certain of the strategic operating, financing and investing policies of Churchill Falls be subject to approval jointly by representatives of Hydro and Hydro-Québec on the Board of Directors of Churchill Falls.

Although Hydro holds a 65.8% ownership interest, the agreement changed the nature of the relationship between Hydro and Hydro-Québec, with respect to Churchill Falls, from that of majority and minority shareholders, respectively, to that of a joint operation. Accordingly, Hydro has recognized its share of assets, liabilities and profit or loss in relation to its interest in Churchill Falls subsequent to the effective date of the Shareholders' Agreement.

Churchill Falls holds 33.33% of the equity share capital of Twin Falls Power Corporation Limited (Twin Falls). This investment is accounted for using the equity method.

3. DEFERRED ASSETS

The deferred asset represents Hydro's asset related to the power purchase agreement (PPA) with Nalcor Energy Marketing Corporation (Energy Marketing). The deferred asset is amortized on a straight line basis over the effective term, being one calendar year, of the related derivative liability. The aggregate difference yet to be recognized in profit or loss at the beginning and end of the period and a reconciliation of the changes of the balance during the period are as follows:

As at (millions of Canadian dollars)	**September 30 2016**	December 31 2015
Deferred asset, beginning of period	**61.2**	-
Additions	**-**	74.9
Amortization	**(45.9)**	(13.7)
Deferred asset, end of period	**15.3**	61.2

4. PROPERTY, PLANT AND EQUIPMENT

(millions of Canadian dollars)	Generation Plant	Transmission and Distribution	Other	Construction in Progress	Total
Cost					
Balance at January 1, 2015	1,525.9	710.4	204.4	140.4	2,581.1
Additions	(0.2)	-	-	161.3	161.1
Disposals	(3.0)	(3.1)	(3.4)	(0.2)	(9.7)
Transfers	178.1	58.0	21.2	(257.3)	-
Decommissioning liability revisions	0.5	(0.3)	-	-	0.2
Balance at December 31, 2015	1,701.3	765.0	222.2	44.2	2,732.7
Additions	**-**	**0.1**	**0.1**	**157.7**	**157.9**
Disposals	**(0.3)**	**(0.8)**	**(1.3)**	**-**	**(2.4)**
Transfers	**2.9**	**1.4**	**0.7**	**(5.0)**	**-**
Other adjustments	**(0.2)**	**-**	**-**	**-**	**(0.2)**
Balance at September 30, 2016	**1,703.7**	**765.7**	**221.7**	**196.9**	**2,888.0**
Depreciation					
Balance at January 1, 2015	369.8	117.6	63.8	-	551.2
Depreciation	44.1	21.6	11.8	-	77.5
Disposals	(1.5)	(0.8)	(2.3)	-	(4.6)
Balance at December 31, 2015	412.4	138.4	73.3	-	624.1
Depreciation	**35.3**	**17.1**	**9.6**	**-**	**62.0**
Disposals	**(0.1)**	**(0.2)**	**(1.0)**	**-**	**(1.3)**
Balance at September 30, 2016	**447.6**	**155.3**	**81.9**	**-**	**684.8**
Carrying value					
Balance at January 1, 2015	1,156.1	592.8	140.6	140.4	2,029.9
Balance at December 31, 2015	1,288.9	626.6	148.9	44.2	2,108.6
Balance at September 30, 2016	**1,256.1**	**610.4**	**139.8**	**196.9**	**2,203.2**

5. INTANGIBLE ASSETS

(millions of Canadian dollars)	Computer Software	Feasibility Studies	Assets Under Development	Total
Cost				
Balance at January 1, 2015	9.0	1.8	-	10.8
Additions	1.5	-	0.1	1.6
Disposals	(1.1)	-	-	(1.1)
Transfers	0.1	-	(0.1)	-
Balance at December 31, 2015	9.5	1.8	-	11.3
Additions	**-**	**-**	**2.0**	**2.0**
Balance at September 30, 2016	**9.5**	**1.8**	**2.0**	**13.3**
Amortization				
Balance at January 1, 2015	1.8	1.0	-	2.8
Amortization	1.2	0.2	-	1.4
Balance at December 31, 2015	3.0	1.2	-	4.2
Amortization	**0.9**	**0.2**	**-**	**1.1**
Balance at September 30, 2016	**3.9**	**1.4**	**-**	**5.3**
Carrying value				
Balance at January 1, 2015	7.2	0.8	-	8.0
Balance at December 31, 2015	6.5	0.6	-	7.1
Balance at September 30, 2016	**5.6**	**0.4**	**2.0**	**8.0**

6. REGULATORY DEFERRALS

	January 1 2016	Regulatory activity	**September 30 2016**	Remaining Recovery Settlement Period (years)
Regulatory asset deferrals				
Foreign exchange losses	56.2	(1.6)	**54.6**	25.25
Foreign exchange on fuel	0.7	(1.1)	**(0.4)**	n/a
Deferred lease costs	5.1	1.5	**6.6**	n/a
2014 cost deferral	38.6	(4.6)	**34.0**	n/a
2015 cost deferral	27.8	(0.7)	**27.1**	n/a
Phase Two hearing costs	-	0.7	**0.7**	n/a
Fuel supply deferral	9.6	(1.7)	**7.9**	n/a
Deferred energy conservation costs	6.3	0.6	**6.9**	n/a
	144.3	(6.9)	**137.4**	
Regulatory liability deferrals				
Rate stabilization plan (RSP)	(324.6)	(18.8)	**(343.4)**	n/a
Insurance amortization and proceeds	(5.0)	0.5	**(4.5)**	n/a
Deferred power purchase savings	(0.4)	-	**(0.4)**	10.75
	(330.0)	(18.3)	**(348.3)**	

6.1 Regulatory Adjustments Recorded in the Consolidated Statement of Profit and Comprehensive Income

	Three months ended		Nine months ended	
For the period ended September 30 (millions of Canadian dollars)	**2016**	2015	**2016**	2015
RSP amortization	**(12.4)**	(2.2)	**(19.9)**	31.1
Rural rate adjustment	**(1.8)**	(0.7)	**(5.6)**	5.4
RSP fuel deferral	**(19.3)**	(19.2)	**25.0**	7.0
RSP interest	**6.6**	5.8	**19.3**	16.1
Total RSP activity	**(26.9)**	(16.3)	**18.8**	59.6
2014 cost deferral	**-**	-	**4.6**	-
2015 cost deferral	**-**	-	**0.7**	-
Fuel supply deferral	**-**	-	**1.7**	-
Amortization of deferred foreign exchange losses	**0.5**	0.5	**1.6**	1.6
Deferred foreign exchange on fuel	**0.3**	(0.4)	**1.1**	(0.2)
Deferred energy conservation	**(0.4)**	(0.3)	**(0.6)**	(0.4)
Deferred purchased power savings	**-**	-	**-**	(0.1)
Employee benefits actuarial loss	**0.2**	-	**0.5**	-
Phase Two hearing costs	**(0.2)**	-	**(0.7)**	-
Insurance amortization and proceeds	**(0.2)**	(0.1)	**(0.5)**	(0.4)
Deferred lease costs	**0.1**	-	**(1.5)**	(1.4)
	(26.6)	(16.6)	**25.7**	58.7

The following section describes Hydro's regulatory deferrals which will be, or are expected to be, reflected in customer rates in future periods and have been established through the rate setting process. In the absence of rate regulation, these amounts would be reflected in operating results in the year and profit for the period ended September 30, 2016 would have increased by $25.7 million (2015 - $58.7 million).

6.2 Fuel Supply Deferral

Pursuant to Order No. P.U. 56 (2014), Hydro received approval in 2014 to defer $9.6 million as a regulatory asset in additional capacity related supply costs incurred during the three months ended March 31, 2014. Recovery of this balance is subject to a future PUB Order. In April 2016, Hydro received Order No. P.U. 13 (2016) which outlines the results of a Prudence Review of certain projects and expenditures of Hydro. As a result, Hydro recorded in regulatory adjustments an expense of $1.7 million and a corresponding reduction to the Fuel Supply Deferral.

6.3 2014 Cost Deferral

As per Order No. P.U. 58 (2014), Hydro received approval in 2014 to defer $45.9 million in relation to Hydro's proposed 2014 revenue requirement with recovery subject to a future PUB Order. In 2015, Hydro decreased this regulatory asset by $7.3 million to recognize an allowance for adjustments to certain costs that were discussed through the General Rate Application (GRA) process. In April 2016, Hydro received Order No. P.U. 13 (2016) which outlines the results of a Prudence Review of certain projects and expenditures of Hydro. As a result, Hydro recorded an expense of $4.6 million and a corresponding reduction to the 2014 Cost Deferral.

6.4 2015 Cost Deferral

As per Order No. P.U. 36 (2015), Hydro received approval to defer $30.2 million in relation to Hydro's proposed 2015 net profit deficiency with recovery subject to a future PUB Order. Accordingly, these costs have been recognized as a regulatory asset. In 2015, Hydro decreased the regulatory asset by $2.4 million to recognize an allowance for adjustments to certain costs that were discussed through the GRA process. In April 2016, Hydro received Order No. P.U. 13 (2016) which outlines the results of a Prudence Review of certain projects and expenditures of Hydro. As a result, Hydro recorded an expense of $0.7 million and a corresponding reduction to the 2015 Cost Deferral.

6.5 Deferred Lease Costs

Pursuant to Order No. P.U. 38 (2013), Order No. P.U. 17(2016) and P.U. 23(2016), Hydro deferred lease costs of $1.6 million (2015 - $1.4 million) for diesel units and other necessary infrastructure to ensure black start capability at the Holyrood Thermal Generating Station (HTGS). In Order No. P.U. 17 (2016) and No. P.U. 23 (2016) the Board also approved the amortization of the balance over a period of five years with the $1.6 million to be included in rate base. In 2016, Hydro recorded amortization of $0.1 million (2015 - $nil) of the deferred lease costs. The recovery of the remaining $5.1 million is subject to a future PUB Order.

6.6 Phase Two Hearing Costs

In April 2016, Hydro received Order No. P.U. 13 (2016) which approved the deferral of consulting fees, salary transfers and overtime costs for 2014, 2015 and subsequent years relating to Phase Two of the investigation into the reliability and adequacy of power on the Island Interconnected system after the interconnection with the Muskrat Falls generating station. As a result, Hydro recorded a regulatory asset of $0.7 million.

7. OTHER LONG-TERM ASSETS

As at (millions of Canadian dollars)	**September 30 2016**	December 31 2015
Long-term receivables	**0.3**	0.3
Reserve fund	**30.9**	30.9
Sinking funds	**266.7**	242.6
Other long-term assets, end of period	**297.9**	273.8
Less: current portion	**(68.6)**	-
	229.3	273.8

As at (millions of Canadian dollars)	**September 30 2016**	December 31 2015
Sinking funds, beginning of year	**242.6**	228.4
Contributions	**8.2**	8.1
Earnings	**9.8**	5.4
Mark-to-market adjustment	**6.1**	0.7
Sinking funds, end of year	**266.7**	242.6
Less: current portion	**(68.6)**	-
	198.1	242.6

8. DEBT

8.1 Short-term Borrowings

Hydro maintains a $50.0 million CAD or USD equivalent unsecured demand operating credit facility with its banker. There were no amounts drawn on this facility as at September 30, 2016 (2015 - $nil), however $0.3 million of the borrowing limit has been used to issue irrevocable letters of credit (2015 - $0.3 million). Borrowings in CAD may take the form of Prime Rate Advances, Bankers' Acceptances (BAs) and letters of credit, with interest calculated at the Prime Rate or prevailing Government BA fee. Borrowings in USD may take the form of Base Rate Advances, London Interbank Offer Rate Advances and letters of credit. The facility also provides coverage for overdrafts on Hydro's bank accounts, with interest calculated at the Prime Rate. Hydro has issued one irrevocable letter of credit for $0.3 million as a performance guarantee in relation to the Department of Fisheries and Oceans Fish Habitat Compensation Program.

In addition, Hydro utilized promissory notes to fulfil its short-term funding requirements. Total available short-term borrowings permitted under the promissory notes program is $300.0 million. As at September 30, 2016, there were $118.0 million in short-term borrowings outstanding with a maturity date of October 6, 2016 bearing an interest rate of 0.68% (2015 - $97.0 million). Upon maturity, the promissory notes were reissued.

8.2 Long-term Debt

The following table represents the value of long-term debt measured at amortized cost:

As at (millions of Canadian dollars)	Face Value	Coupon Rate %	Year of Issue	Year of Maturity	**September 30 2016**	December 31 2015
Hydro						
V	0.2	10.50	1989	2014	**0.2**	0.3
X*	150.0	10.25	1992	2017	**149.9**	149.8
Y*	300.0	8.40	1996	2026	**294.9**	294.7
AB*	300.0	6.65	2001	2031	**305.5**	305.7
AD*	125.0	5.70	2003	2033	**123.8**	123.8
AE	225.0	4.30	2006	2016	**225.0**	224.8
AF	200.0	3.60	2014	2045	**197.2**	197.1
Total debentures	1,300.2				**1,296.5**	1,296.2
Less: Sinking fund investments in own debentures					**56.5**	55.8
					1,240.0	1,240.4
Less: payments due within one year					**367.8**	233.4
					872.2	1,007.0

*Sinking funds have been established for these issues.

Hydro’s promissory notes and debentures are unsecured and unconditionally guaranteed as to principal and interest and, where applicable, sinking fund payments, by the Province. The Province charges Hydro a guarantee fee of 25 basis points annually on the total debt (net of sinking funds) with a remaining term to maturity of less than 10 years and 50 basis points annually on total debt (net of sinking funds) with a remaining term to maturity greater than 10 years. The fee for the three and nine months ended September 30, 2016 was $3.4 million (2015 - $3.4 million).

9. DEFERRED CONTRIBUTIONS

Hydro has received contributions in aid of construction of property, plant and equipment. These contributions are deferred and amortized to other revenue over the life of the related property, plant and equipment asset.

(millions of Canadian dollars)	**September 30 2016**	December 31 2015
Deferred contributions, beginning of period	**12.7**	12.2
Additions	**1.4**	1.4
Amortization	**(0.8)**	(0.9)
Deferred contributions, end of period	**13.3**	12.7
Less: current portion	**(1.1)**	(1.1)
	12.2	11.6

10. DECOMMISSIONING LIABILITIES

Hydro has recognized liabilities associated with the retirement of portions of the HTGS and the disposal of Polychlorinated Biphenyls.

The reconciliation of the beginning and ending carrying amounts of decommissioning liabilities for September 30, 2016 and December 31, 2015 are as follows:

(millions of Canadian dollars)	**September 30 2016**	December 31 2015
Decommissioning liabilities, beginning of period	**28.8**	28.0
Liabilities settled	**(0.4)**	(0.1)
Accretion	**0.5**	0.7
Revisions	**-**	0.2
Decommissioning liabilities, end of period	**28.9**	28.8

11. EMPLOYEE FUTURE BENEFITS

11.1 Pension Plan

Employees participate in the Province's Public Service Pension Plan, a multi-employer defined benefit plan. The employer's contributions for the period ended September 30, 2016 of $6.6 million (2015 - $6.7 million) are expensed as incurred.

11.2 Other Benefits

Hydro provides group life insurance and health care benefits on a cost shared basis to retired employees, and in certain cases, their surviving spouses, in addition to a severance payment upon retirement. In 2016, cash payments to beneficiaries for its unfunded other employee future benefits were $2.7 million (2015 - $2.4 million). An actuarial valuation was performed as at December 31, 2015, with an extrapolation to December 31, 2016.

	Three months ended		**Nine months ended**	
For the period ended September 30 (millions of Canadian dollars)	**2016**	2015	**2016**	2015
Component of benefit cost				
Current service cost	**1.2**	1.2	**3.5**	3.4
Interest cost	**1.3**	1.3	**3.7**	4.1
Total benefit expense for the period	**2.5**	2.5	**7.2**	7.5

12. ACCUMULATED OTHER COMPREHENSIVE INCOME

The components of, and changes in, accumulated other comprensive income (loss) are as follows:

Items that may or have been reclassified to profit or loss:

(millions of Canadian dollars)	**2016**	2015
Available-for-sale financial instruments		
Balance at January 1	**41.4**	41.3
Net fair value gains on available-for-sale during the period	**13.7**	7.9
Amounts reclassified to profit or loss	**(7.7)**	(7.3)
Balance at September 30	**47.4**	41.9

(millions of Canadian dollars)	**2016**	2015
Employee future benefits		
Balance at January 1	**(30.8)**	(46.1)
Regulatory adjustment	**0.5**	-
Balance at September 30	**(30.3)**	(46.1)

13. SHAREHOLDER'S EQUITY

13.1 Share Capital

As at (millions of Canadian dollars)	**September 30 2016**	December 31 2015
Common shares of par value of $1 each		
Authorized - 25,000,000		
Issued, paid and outstanding - 22,503,902	**22.5**	22.5

13.2 Shareholder Contributions

As at (millions of Canadian dollars)	**September 30 2016**	December 31 2015
Total shareholder contributions	**118.9**	118.7

During 2016, the Churchill Falls (Labrador) Corporation Trust (the Trust) contributed $0.2 million (2015 - $nil).

13.3 Dividends

	Three months ended		**Nine months ended**	
For the period ended September 30 (millions of Canadian dollars)	**2016**	2015	**2016**	2015
Declared during the year				
Final dividend - prior period: $0.05/share (2015 - $0.12)	**-**	-	**1.1**	2.7
Interim dividend - current period: $0.36/share (2015 - $1.42)	**2.8**	12.2	**8.0**	31.9
	2.8	12.2	**9.1**	34.6

14. OPERATING COSTS

	Three months ended		**Nine months ended**	
For the period ended September 30 (millions of Canadian dollars)	**2016**	2015	**2016**	2015
Salaries and benefits	**24.9**	29.6	**81.4**	91.4
Maintenance and materials	**8.7**	13.1	**21.1**	29.2
Transmission rental	**4.8**	5.0	**14.4**	15.1
Professional services	**2.2**	5.7	**6.6**	13.2
Rental and royalty expense	**0.3**	0.3	**3.4**	3.5
Travel and transportation	**1.2**	2.3	**3.6**	6.5
Equipment rental	**0.7**	1.6	**3.1**	4.4
Other	**1.9**	-	**6.6**	3.4
	44.7	57.6	**140.2**	166.7

15. NET FINANCE (INCOME) EXPENSE

	Three months ended		Nine months ended	
For the period ended September 30 (millions of Canadian dollars)	**2016**	2015	**2016**	2015
Finance income				
Interest on sinking fund	**3.5**	3.4	**10.4**	9.9
Interest on reserve fund	**0.2**	0.2	**0.6**	0.7
Other interest income	**0.3**	0.2	**0.8**	0.8
	4.0	3.8	**11.8**	11.4
Finance expense				
Long-term debt	**21.1**	21.1	**63.4**	63.4
Debt guarantee fee	**1.1**	1.1	**3.4**	3.4
Accretion	**0.3**	0.3	**0.9**	1.0
Other interest expense	**0.5**	0.2	**0.8**	0.6
	23.0	22.7	**68.5**	68.4
Interest capitalized during construction	**(1.2)**	(1.1)	**(2.4)**	(3.1)
	21.8	21.6	**66.1**	65.3
Net finance (income) expense	**17.8**	17.8	**54.3**	53.9

16. OTHER (INCOME) EXPENSE

	Three months ended		Nine months ended	
For the period ended September 30 (millions of Canadian dollars)	**2016**	2015	**2016**	2015
Mark-to-market of commodity swaps	**-**	3.1	**-**	0.4
Settlement of commodity swaps	**-**	(4.2)	**-**	(6.8)
Mark-to-market of foreign exchange forward contracts	**-**	-	**-**	(0.2)
Financial transmission rights income and amortization	**-**	0.1	**-**	(0.2)
Loss on disposal of property, plant and equipment	**0.2**	0.7	**0.9**	1.4
Asset disposal costs	**0.1**	1.7	**0.3**	2.2
Net change in PPA fair value [(a)]	**2.6**	-	**(6.1)**	-
Unrealized foreign exchange (gain) loss	**(0.7)**	0.5	**(0.4)**	1.5
Other	**-**	-	**(1.0)**	-
Other (income) expense	**2.2**	1.9	**(6.3)**	(1.7)

(a) Net Change in PPA Fair Value

	Three months ended		Nine months ended	
For the period ended September 30 (millions of Canadian dollars)	**2016**	2015	**2016**	2015
Amortization of deferral	**15.3**	-	**45.9**	-
Mark-to-market of derivative	**3.0**	-	**(23.0)**	-
Settlement of realized profit	**(15.7)**	-	**(29.0)**	-
Net PPA losses (gains)	**2.6**	-	**(6.1)**	-

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

17.1 Fair Value

The estimated fair values of financial instruments as at September 30, 2016 and December 31, 2015 are based on relevant market prices and information available at the time. Fair value estimates are based on valuation techniques which are significantly affected by the assumptions used including the amount and timing of future cash flows and discount rates reflecting various degrees of risk. As such, the fair value estimates below are not necessarily indicative of the amounts that Hydro might receive or incur in actual market transactions.

As a significant number of Hydro’s assets and liabilities do not meet the definition of a financial instrument, the fair value estimates below do not reflect the fair value of Hydro as a whole.

Establishing Fair Value
Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the nature of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. For assets and liabilities that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers between Level 1, 2 and 3 fair value measurement for the period ended September 30, 2016 and the year ended December 31, 2015.

	Level	**Carrying Value**	**Fair Value**	Carrying Value	Fair Value
(millions of Canadian dollars)		**September 30, 2016**		December 31, 2015	
Financial assets					
Derivative assets	**3**	**-**	**-**	1.9	1.9
Sinking funds - investments in Hydro debt issue	**2**	**56.5**	**71.2**	55.8	69.9
Sinking funds - other investments	**2**	**266.7**	**266.7**	242.6	242.6
Reserve fund	**2**	**30.9**	**30.9**	30.9	30.9
Long-term receivables[1]	**2**	**0.3**	**0.3**	0.3	0.3
Financial liabilities					
Derivative liabilities	**3**	**9.2**	**9.2**	61.2	61.2
Long-term debt (including amount due within one year before sinking funds)	**2**	**1,296.5**	**1,648.1**	1,296.2	1,650.0
Long-term payables[2]	**2**	**-**	**-**	0.3	0.3

[1]As at September 30, 2016, the related party payable relating to the Annual Energy Base of $1.5 million (fair value - $1.7 million) was included in trade and other payables.

[2]As at December 31, 2015, the long-term payable relating to the Annual Energy Base of $0.3 million (fair value - $0.3 million) was included in trade and other payables.

The fair values of cash and cash equivalents, short-term investments, trade and other receivables, short-term borrowings and trade and other payables approximate their carrying values due to their short-term maturity.

The fair values of Level 2 financial instruments are determined using quoted prices in active markets, which in some cases are adjusted for factors specific to the asset or liability. Level 2 derivative instruments are valued based on observable commodity future curves, broker quotes or other publicly available data. Level 2 fair values of other risk management assets and liabilities and long-term debt are determined using observable inputs other than unadjusted quoted prices, such as interest rate yield curves and currency rates.

The following table summarizes quantitative information about the valuation techniques and unobservable inputs used in the fair value measurement of Level 3 financial instruments as at September 30, 2016:

(millions of Canadian dollars)	Carrying Value	Valuation Techniques	Significant Unobservable Input(s)	Range
Derivative liability (PPA)	9.2	Modelled pricing	Volumes (MWh)	33-49% of available generation

The derivative liability arising under the PPA is designated as a Level 3 instrument as certain forward market prices and related volumes are not readily determinable to estimate a portion of the fair value of the derivative liability. Hence, fair value measurement of this instrument is based upon a combination of internal and external pricing and volume estimates. As at September 30, 2016, the effect of using reasonably possible alternative assumptions for volume inputs to valuation techniques may have resulted in a -$0.1 million to a +$1.5 million change in the carrying value of the power purchase derivative liability.

17.2 Risk Management

Market Risk
In the course of carrying out its operating, financing and investing activities, Hydro is exposed to possible market price movements that could impact expected future cash flow and the carrying value of certain financial assets and liabilities. Market price movements to which Hydro has significant exposure include those relating to prevailing interest rates, foreign exchange rates, most notably the USD/CAD, and current commodity prices, most notably the spot prices for diesel fuel, electricity, and No. 6 fuel. These exposures were addressed as part of the Financial Risk Management Policy.

The derivative liability relates to the PPA with Energy Marketing and represents the future value provided to Energy Marketing through the contract. On September 14, 2016, the terms of the PPA were amended. Under the amendment, the PPA can be terminated by either party with notice provided 60 days prior to the intended termination date. At September 30, 2016, Management assessed the impact of the amendment and determined that the amended terms do not result in a change in accounting treatment of the PPA. The components of the change impacting the carrying value of the derivative asset and derivative liability for the period ended September 30, 2016 are as follows:

(millions of Canadian dollars)	**Level II**	**Level III**	**Total**
Balance at January 1, 2016	**-**	**(59.3)**	**(59.3)**
	-	**(59.3)**	**(59.3)**
Changes in profit (loss)			
Mark-to-market	**-**	**23.0**	**23.0**
Settlements	**-**	**27.1**	**27.1**
Total	**-**	**(9.2)**	**(9.2)**
Balance at September 30, 2016	**-**	**(9.2)**	**(9.2)**
Balance, January 1, 2015	2.5	-	2.5
	2.5	-	2.5
Changes in profit (loss)			
Mark-to-market	(0.3)	-	(0.3)
Total	2.2	-	2.2
Balance at September 30, 2015	**2.2**	-	**2.2**

18. RELATED PARTY TRANSACTIONS

Hydro enters into various transactions with its parent and other affiliates. These transactions occur within the normal course of operations and are measured at the exchange amount, which is the amount of consideration agreed to by the related parties. Related parties with which Hydro transacts are as follows:

Related Party	Relationship
Nalcor	100.0% shareholder of Hydro
Churchill Falls	Joint arrangement of Hydro
Twin Falls	Joint venture of Churchill Falls
Labrador-Island Link Limited Partnership	Partnership in which Nalcor owns 75 Class A Units
Energy Marketing	Wholly owned subsidiary of Nalcor
Labrador-Island Link Operating Corporation	Wholly owned subsidiary of Nalcor
Lower Churchill Management Corporation	Wholly owned subsidiary of Nalcor
Muskrat Falls Corporation	Wholly owned subsidiary of Nalcor
Nalcor Energy – Bull Arm Fabrication Inc.	Wholly owned subsidiary of Nalcor
Nalcor Energy – Oil and Gas Inc.	Wholly owned subsidiary of Nalcor
The Province	100.0% shareholder of Nalcor
PUB	Agency of the Province
The Trust	Created by the Province with Churchill Falls as the beneficiary

Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms.

19. COMMITMENTS AND CONTINGENCIES

(a) Hydro has received claims instituted by various companies and individuals with respect to power delivery claims and other miscellaneous matters. Although the outcome of such matters cannot be predicted with certainty, Management believes that Hydro's exposure to such claims and litigation, to the extent not covered by insurance policies or otherwise provided for, is not expected to materially affect its financial position.

(b) Outstanding commitments for capital projects total approximately $190.0 million as at September 30, 2016 (December 31, 2015 - $30.8 million).

20. SUPPLEMENTARY CASH FLOW INFORMATION

	Three months ended		**Nine months ended**	
For the period ended September 30 (millions of Canadian dollars)	**2016**	2015	**2016**	2015
Trade and other receivables	**(3.2)**	8.9	**42.5**	39.3
Prepayments	**(1.6)**	(1.5)	**(3.0)**	(3.2)
Inventories	**(9.8)**	(0.9)	**(8.7)**	20.5
Trade and other payables	**7.6**	(7.6)	**18.4**	(46.8)
Changes in non-cash working capital balances	**(7.0)**	(1.1)	**49.2**	9.8
Related to:				
Operating activities	**(25.0)**	(11.4)	**19.2**	11.5
Investing activities	**18.0**	10.3	**30.0**	(1.7)
	(7.0)	(1.1)	**49.2**	9.8

21. SEGMENT INFORMATION

Hydro operates in four business segments. Hydro regulated activities encompass sales of electricity to customers within the Province. Churchill Falls operates a hydroelectric generating facility and sells electricity primarily to Hydro-Québec. Energy marketing includes the sale of electricity to markets outside the Province and other non-regulated electricity sales. The designation of segments has been based on a combination of regulatory status and Management accountability. The segments' accounting policies are the same as those previously described in Note 2 of the annual audited consolidated financial statements.

	Hydro Regulated	**Churchill Falls**	**Energy Marketing**	**Other**	**Inter-Segment**	**Total**
(millions of Canadian dollars)	**For the nine months ended September 30, 2016**					
Energy sales	**381.4**	**69.4**	**32.6**	**-**	**(3.0)**	**480.4**
Other revenue	**2.9**	**0.4**	**14.4**	**-**	**3.1**	**20.8**
Revenue	**384.3**	**69.8**	**47.0**	**-**	**0.1**	**501.2**
Fuels	**117.6**	**-**	**-**	**-**	**-**	**117.6**
Power purchased	**45.8**	**-**	**31.8**	**-**	**(2.9)**	**74.7**
Operating costs	**92.0**	**32.9**	**14.4**	**0.9**	**-**	**140.2**
Depreciation and amortization	**51.0**	**12.1**	**-**	**-**	**-**	**63.1**
Net finance (income) expense	**55.0**	**(0.7)**	**-**	**-**	**-**	**54.3**
Other (income) expense	**(0.1)**	**(0.1)**	**(6.1)**	**-**	**-**	**(6.3)**
Profit (loss) for the period from operations	**23.0**	**25.6**	**6.9**	**(0.9)**	**3.0**	**57.6**
Preferred dividends	**-**	**(3.1)**	**-**	**-**	**3.1**	**-**
Profit (loss) before regulatory adjustments	**23.0**	**28.7**	**6.9**	**(0.9)**	**(0.1)**	**57.6**
Regulatory adjustments	**25.7**	**-**	**-**	**-**	**-**	**25.7**
(Loss) profit for the period	**(2.7)**	**28.7**	**6.9**	**(0.9)**	**(0.1)**	**31.9**
Capital expenditures	**122.8**	**34.5**	**-**	**0.6**	**-**	**157.9**
Total assets	**2,290.7**	**556.2**	**23.7**	**-**	**-**	**2,870.6**

	Hydro Regulated	Churchill Falls	Energy Marketing	Other	Inter-Segment	Total
(millions of Canadian dollars)	For the nine months ended September 30, 2015					
Energy sales	426.7	70.1	70.6	-	(2.9)	564.5
Other revenue	2.5	0.4	-	-	3.5	6.4
Revenue	429.2	70.5	70.6	-	0.6	570.9
Fuels	137.9	-	-	-	-	137.9
Power purchased	46.0	-	31.3	-	(2.8)	74.5
Operating costs	113.7	33.1	18.6	1.3	-	166.7
Depreciation and amortization	46.4	10.8	-	-	-	57.2
Net finance (income) expense	54.8	(0.8)	(0.1)	-	-	53.9
Other (income) expense	4.1	0.9	(6.7)	-	-	(1.7)
Share of loss of joint arrangement	-	0.1	-	-	-	0.1
Profit (loss) for the period from operations	26.3	26.4	27.5	(1.3)	3.4	82.3
Preferred dividends	-	(3.5)	-	-	3.5	-
Profit (loss) before regulatory adjustments	26.3	29.9	27.5	(1.3)	(0.1)	82.3
Regulatory adjustments	58.7	-	-	-	-	58.7
(Loss) profit for the period	(32.4)	29.9	27.5	(1.3)	(0.1)	23.6
Capital expenditures	91.1	24.6	0.1	-	-	115.8
Total assets	2,154.5	521.4	9.2	-	-	2,685.1

	Hydro Regulated	**Churchill Falls**	**Energy Marketing**	**Other**	**Inter-Segment**	**Total**
(millions of Canadian dollars)	**For the three months ended September 30, 2016**					
Energy sales	**70.2**	**15.9**	**10.4**	**-**	**(1.1)**	**95.4**
Other revenue	**1.0**	**0.1**	**4.8**	**-**	**0.9**	**6.8**
Revenue	**71.2**	**16.0**	**15.2**	**-**	**(0.2)**	**102.2**
Fuels	**17.4**	**-**	**-**	**-**	**-**	**17.4**
Power purchased	**13.1**	**-**	**10.3**	**-**	**(1.0)**	**22.4**
Operating costs	**29.3**	**10.4**	**4.8**	**0.2**	**-**	**44.7**
Depreciation and amortization	**17.2**	**4.1**	**-**	**-**	**-**	**21.3**
Net finance (income) expense	**17.9**	**(0.1)**	**-**	**-**	**-**	**17.8**
Other (income) expense	**(0.2)**	**(0.2)**	**2.6**	**-**	**-**	**2.2**
(Loss) profit for the period from operations	**(23.5)**	**1.8**	**(2.5)**	**(0.2)**	**0.8**	**(23.6)**
Preferred dividends	**-**	**(0.9)**	**-**	**-**	**0.9**	**-**
(Loss) profit before regulatory adjustments	**(23.5)**	**2.7**	**(2.5)**	**(0.2)**	**(0.1)**	**(23.6)**
Regulatory adjustments	**(26.6)**	**-**	**-**	**-**	**-**	**(26.6)**
Profit (loss) for the period	**3.1**	**2.7**	**(2.5)**	**(0.2)**	**(0.1)**	**3.0**
Capital expenditures	**71.7**	**17.1**	**-**	**0.5**	**-**	**89.3**
Total assets	**2,290.7**	**556.2**	**23.7**	**-**	**-**	**2,870.6**

	Hydro Regulated	Churchill Falls	Energy Marketing	Other	Inter-Segment	Total
(millions of Canadian dollars)	For the three months ended September 30, 2015					
Energy sales	81.5	14.7	24.8	-	(1.0)	120.0
Other revenue	0.8	0.1	-	-	1.2	2.1
Revenue	82.3	14.8	24.8	-	0.2	122.1
Fuels	20.3	-	-	-	-	20.3
Power purchased	12.8	-	10.5	-	(0.9)	22.4
Operating costs	40.0	11.2	6.0	0.4	-	57.6
Depreciation and amortization	15.6	3.5	-	-	-	19.1
Net finance (income) expense	18.1	(0.3)	-	-	-	17.8
Other (income) expense	2.2	0.7	(1.0)	-	-	1.9
(Loss) profit for the period from operations	(26.7)	(0.3)	9.3	(0.4)	1.1	(17.0)
Preferred dividends	-	(1.2)	-	-	1.2	-
(Loss) profit before regulatory adjustments	(26.7)	0.9	9.3	(0.4)	(0.1)	(17.0)
Regulatory adjustments	(16.6)	-	-	-	-	(16.6)
(Loss) profit for the period	(10.1)	0.9	9.3	(0.4)	(0.1)	(0.4)
Capital expenditures	31.7	14.3	-	-	-	46.0
Total assets	2,154.5	521.4	9.2	-	-	2,685.1

22. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the basis of presentation adopted during the current reporting period. The changes have been summarized as follows:

(millions of Canadian dollars)	Previously reported	Foreign exchange	Twin Block	Curtailed Energy presentation	**Reclassified balance**
Energy sales	537.2	-	28.0	(0.7)	**564.5**
Power purchased	47.2	-	28.0	(0.7)	**74.5**
Operating costs	166.8	(0.1)	-	-	**166.7**
Net finance (income) expense[(a)]	54.0	(0.1)	-	-	**53.9**
Other (income) expense[(a)]	(0.6)	(1.1)	-	-	**(1.7)**

(a) For the period ended September 30, 2015, $1.2 million in foreign exchange forward contracts relating to Energy Marketing were incorrectly settled in Hydro. This was subsequently adjusted through intercompany and presented correctly in Hydro's annual audited financial statements at December 31, 2015.

23. SUBSEQUENT EVENTS

On October 12, 2016, Nalcor borrowed $225 million from the Province by way of a promissory note, and these funds were then loaned to Hydro. The proceeds of this loan, which matures on January 11, 2017 and carries an interest rate of 0.90%, were used to repay Hydro's Series AE long-term debentures. Hydro intends to refinance this loan in the coming months, with a long-term debt issuance in the capital markets.

In October 2016, Hydro identified two additional unforeseen capital projects; a project related to the Bay d'Espoir penstock in the amount of $12.9 million, and a project that resulted from the damage sustained from Hurricane Matthew, the Bay d'Espoir Access Roads Refurbishment project in the amount of $4.6 million.