

LABRADOR - ISLAND LINK HOLDING CORPORATION
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
September 30, 2017
(Unaudited)

LABRADOR - ISLAND LINK HOLDING CORPORATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Unaudited)

<i>As at (thousands of Canadian dollars)</i>	Notes	September 30 2017	December 31 2016
ASSETS			
Current assets			
Cash		4	5
Restricted cash		493,517	977,450
Current portion of long-term investments	5	486,093	28,951
Trade and other receivables		30,689	35,389
Advances		4,946	14,404
Prepayments		1,532	2,184
Total current assets		1,016,781	1,058,383
Non-current assets			
Property, plant and equipment	3	3,538,884	2,705,182
Intangible assets	4	32,167	30,182
Long-term investments	5	196,117	-
Long-term prepayments		263	1,248
Total assets		4,784,212	3,794,995
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables		330,211	576,125
Non-current liabilities			
Long-term debt	6	3,451,922	2,400,569
Deferred revenue		16,100	16,100
Class B limited partnership units	7	481,298	399,086
Contributions		10	10
Total liabilities		4,279,541	3,391,890
Shareholder's equity			
Share capital		1	1
Shareholder contributions		505,820	404,523
Deficit		(1,150)	(1,419)
Total equity		504,671	403,105
Total liabilities and equity		4,784,212	3,794,995

Commitments and contingencies (Note 12)

See accompanying notes

LABRADOR - ISLAND LINK HOLDING CORPORATION
CONSOLIDATED STATEMENT OF PROFIT AND COMPREHENSIVE INCOME
(Unaudited)

<i>For the period ended September 30 (thousands of Canadian dollars)</i>	Notes	Three months ended		Nine months ended	
		2017	2016	2017	2016
Other revenue		-	-	-	1
Net finance income	8	539	474	1,474	1,413
Other income	9	43	4	165	592
Revenue		582	478	1,639	2,006
Operating costs		638	281	1,370	467
Total profit and comprehensive income for the period		(56)	197	269	1,539

See accompanying notes

LABRADOR - ISLAND LINK HOLDING CORPORATION
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(Unaudited)

<i>(thousands of Canadian dollars)</i>	Share Capital	Shareholder Contributions	Deficit	Total
Balance at January 1, 2017	1	404,523	(1,419)	403,105
Total comprehensive income for the period	-	-	269	269
Shareholder contributions	-	101,297	-	101,297
Balance at September 30, 2017	1	505,820	(1,150)	504,671
Balance at January 1, 2016	1	353,560	(3,049)	350,512
Total comprehensive income for the period	-	-	1,539	1,539
Shareholder contributions	-	12,397	-	12,397
Balance at September 30, 2016	1	365,957	(1,510)	364,448

LABRADOR - ISLAND LINK HOLDING CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

<i>For the period ended September 30 (thousands of Canadian dollars)</i>	Notes	Three months ended		Nine months ended	
		2017	2016	2017	2016
Operating activities					
(Loss) profit for the period		(56)	197	269	1,539
Adjustments for the following non-cash items					
Amortization of long-term prepayments		56	546	985	1,638
Accretion of long-term debt		(18)	(6)	(36)	(18)
Change in long-term payables		-	14	-	31
Changes in non-cash working capital balances	13	7	24	11	(13)
Net cash (used in) provided from operating activities		(11)	775	1,229	3,177
Investing activities					
Additions to property, plant and equipment	3	(298,268)	(349,490)	(806,166)	(796,293)
Additions to intangible assets	4	708	(75)	(2,288)	(360)
Change in advances		44,685	233	9,458	1,470
Change in investments	5	(682,210)	123,983	(653,259)	537,362
Changes in non-cash working capital balances	13	(130,562)	184,790	(240,573)	257,825
Net cash (used in) provided from investing activities		(1,065,647)	(40,559)	(1,692,828)	4
Financing activities					
Proceeds from long-term debt	6	-	-	1,051,389	-
Change in restricted cash		1,065,654	(1,750)	483,933	(117,369)
Increase in Class B partnership units	7	-	36,624	54,979	101,775
Increase in shareholder contributions		4	4,910	101,297	12,397
Net cash provided from (used in) financing activities		1,065,658	39,784	1,691,598	(3,197)
Net decrease in cash		-	-	(1)	(16)
Cash, beginning of period		4	5	5	21
Cash, end of period		4	5	4	5
Interest received		5,166	3,134	8,980	11,173
Interest paid		3	3	45,044	45,910

See accompanying notes

LABRADOR - ISLAND LINK HOLDING CORPORATION
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

1. DESCRIPTION OF BUSINESS

Labrador-Island Link Holding Corporation (LIL Holdco or the Company) was incorporated on July 31, 2012 under the laws of the Province of Newfoundland and Labrador. LIL Holdco is a 100% owned subsidiary of Nalcor Energy (Nalcor) and is a limited partner in the Labrador-Island Link Limited Partnership (the Partnership or LIL LP). LIL Holdco's head office is located at 500 Columbus Drive, St. John's, Newfoundland and Labrador, A1B 0C9, Canada.

LIL Holdco, together with the Labrador-Island Link General Partner Corporation (LIL GP or the General Partner), also a 100% Nalcor-owned subsidiary, represent Nalcor's interests in the Partnership. Emera Newfoundland and Labrador Island Link Inc. (Emera NL) is the remaining limited partner of the Partnership, and when combined with Nalcor's interests, represents 100% of the Partnership. The Partnership is expected to terminate on December 31, 2081, unless terminated earlier or extended in accordance with the Labrador-Island Link Limited Partnership Agreement (the Partnership Agreement or LIL LPA).

The Partnership was formed to carry on the business of designing, engineering, constructing, commissioning, owning, financing, operating and maintaining the assets and property constituting the Labrador-Island Link (LIL). The Partnership has entered into the LIL Assets Agreement, the LIL Lease Agreement and the Transmission Funding Agreement (TFA) with Labrador-Island Link Operating Corporation (LIL Opco) and Newfoundland and Labrador Hydro (Hydro), both of which are wholly-owned subsidiaries of Nalcor. These agreements effectively provide for a lease of the transmission rights on the LIL to Hydro. LIL Opco will maintain and operate the LIL on behalf of the Partnership.

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 Standard 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, 2016.

These condensed consolidated interim financial statements do not include all of the disclosures normally found in LIL Holdco's annual audited consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements.

These condensed consolidated interim financial statements have been prepared on a historical cost basis and are presented in Canadian Dollars (CAD) with all values rounded to the nearest thousand, except when otherwise noted. The Board of Directors of LIL Holdco has delegated the authority to approve the condensed consolidated interim financial statements to the Audit Committee of the Board of Directors of Nalcor, which approved the statements on November 7, 2017.

2.2 Basis of Consolidation

These condensed consolidated interim financial statements include the financial statements of LIL Holdco, the Partnership and the LIL Construction Project Trust (the IT). Intercompany transactions and balances have been eliminated upon consolidation.

LABRADOR - ISLAND LINK HOLDING CORPORATION
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

3. PROPERTY, PLANT AND EQUIPMENT

<i>(thousands of Canadian dollars)</i>	Project support assets	Construction in Progress	Total
Cost			
Balance at January 1, 2016	-	1,557,700	1,557,700
Additions	-	1,147,482	1,147,482
Balance at December 31, 2016	-	2,705,182	2,705,182
Additions	5,788	828,697	834,485
Balance at June 30, 2017	5,788	3,533,879	3,539,667
Depreciation			
Balance at January 1, 2016	-	-	-
Depreciation	-	-	-
Balance at December 31, 2016	-	-	-
Depreciation	783	-	783
Balance at June 30, 2017	783	-	783
Carrying value			
Balance at January 1, 2016	-	1,557,700	1,557,700
Balance at December 31, 2016	-	2,705,182	2,705,182
Balance at June 30, 2017	5,005	3,533,879	3,538,884

Capitalized Borrowing Costs

The construction of the LIL is being financed, in part, through the issuance of long-term debt. For the period ended September 30, 2017, \$73.1 million (December 31, 2016 - \$79.8 million) of borrowing costs were capitalized. The Company also capitalized borrowing costs associated with the Limited B units of \$27.2 million (December 31, 2016 - \$23.6 million) as non-cash additions to property, plant and equipment.

LABRADOR - ISLAND LINK HOLDING CORPORATION
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

4. INTANGIBLE ASSETS

<i>(thousands of Canadian dollars)</i>	Computer Software	Assets Under Development	Total
Cost			
Balance at January 1, 2016	1,377	14,658	16,035
Additions	403	15,303	15,706
Balance at December 31, 2016	1,780	29,961	31,741
Additions	340	1,948	2,288
Balance at September 30, 2017	2,120	31,909	34,029
Amortization			
Balance at January 1, 2016	1,236	-	1,236
Amortization	323	-	323
Balance at December 31, 2016	1,559	-	1,559
Amortization	303	-	303
Balance at September 30, 2017	1,862	-	1,862
Carrying value			
Balance at January 1, 2016	141	14,658	14,799
Balance at December 31, 2016	221	29,961	30,182
Balance at September 30, 2017	258	31,909	32,167

Intangible assets consist of computer software costs and assets under development which represent LIL LP's right to collect the costs incurred related to these assets through the LIL Lease Agreement and TFA with LIL Opco and Hydro.

Computer software is amortized on a straight-line basis over their finite useful lives of one year. Amortization of assets under development will commence once LIL LP begins recovering its costs for these assets over the term of the TFA.

LABRADOR - ISLAND LINK HOLDING CORPORATION
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

5. INVESTMENTS

In December 2013, the IT purchased three structured deposit notes using the proceeds of the advance under the LIL Construction Facility. These investments were fully drawn down in 2017. In July 2017, the IT purchased three additional structured deposit notes using the proceeds of the advance under the LIL Construction Facility.

The investments are restricted in nature and are subject to the provisions contained within the LIL Project Finance Agreement (LIL PFA).

<i>As at (thousands of Canadian dollars)</i>	Year of Maturity	September 30 2017	December 31 2016
\$75.0 million Floating Rate Deposit Note, with interest paid at the one-month Canadian Dollar Offer Rate (CDOR) plus 0.38%.	2017	-	28,951
\$75.0 million Floating Rate Deposit Note, with interest paid at the one-month CDOR plus 0.20%.	2019	75,000	-
\$182.9 million Amortizing Floating Rate Deposit Note, with interest paid at the one-month CDOR plus 0.20%.	2019	151,803	-
\$548.6 million Amortizing Fixed Rate Deposit Note, with interest paid at a rate of 1.644% per annum.	2019	455,407	-
Long-term investments, end of period		682,210	28,951
Less: redemptions to be received within one year		486,093	28,951
		196,117	-

6. LONG-TERM DEBT

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

<i>As at (thousands of Canadian dollars)</i>	Face Value	Coupon Rate %	Year of Issue	Year of Maturity	September 30 2017	December 31 2016
Tranche A	725,000	3.76	2013	2033	725,245	725,257
Tranche B	600,000	3.86	2013	2045	600,100	600,103
Tranche C	1,075,000	3.85	2013	2053	1,075,204	1,075,209
Tranche 1-10	105,000	1.14-1.75	2017	2020-2025	105,026	-
Tranche 11-20	105,000	1.84-2.37	2017	2025-2030	105,033	-
Tranche 21-30	105,000	2.41-2.64	2017	2030-2035	105,057	-
Tranche 31-40	105,000	2.66-2.80	2017	2035-2040	105,114	-
Tranche 41-50	105,000	2.81-2.86	2017	2040-2045	105,117	-
Tranche 51-60	105,000	2.84-2.86	2017	2045-2050	105,146	-
Tranche 61-70	105,000	2.85	2017	2050-2055	105,210	-
Tranche 71-74	315,000	2.85	2017	2055-2057	315,670	-
Total debentures	3,450,000				3,451,922	2,400,569

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On May 10, 2017, the IT, the Labrador-Island Link Funding Trust (LIL Funding Trust), LIL LP, LIL Opco and the Collateral Agent executed second amendments to the IT Project Financing Agreement (IT PFA) and the LIL PFA. Under the terms and conditions of the second amended IT PFA, the LIL Funding Trust agreed to provide an additional non-revolving credit facility in the amount of \$975 million, as well as a \$75 million working capital revolving facility, to the IT. These facilities, available in a series of 74 bonds with maturities of every six months beginning in December 2020, were fully drawn down by the IT on May 25, 2017 by way of a single advance to an account administered by a Collateral Agent. LIL LP draws funds from this account on a monthly basis in accordance with procedures set out in the LIL PFA. The financing of the LIL Funding Trust benefits from a direct, absolute, unconditional and irrevocable guarantee from Canada, and thereby carry its full faith and credit (AAA rating or equivalent). Under the terms of the additional guarantee from the Government of Canada, LIL LP agrees to pay an annual guarantee fee starting in May 2018 equal to 0.5% of the average balance outstanding on Tranches 1 through 74 for the prior twelve months.

As security for these debt obligations, LIL LP has granted to the Collateral Agent first ranking liens on all present and future assets. Sinking funds are required to be set up for these debentures to be held in a sinking fund account under the control of the Collateral Agent.

Sinking fund installments due for the next five years for the 12 month period ended September 30 are as follows:

<i>(thousands of Canadian dollars)</i>	2018	2019	2020	2021	2022
Sinking fund instalments	-	-	-	55,769	55,769

7. LIMITED PARTNERSHIP UNITS

Debt and equity instruments issued by LIL Holdco are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

7.1 Description of Class B Limited Partnership Units

The Class B limited partnership units represent Emera NL's ownership interest in the Partnership. As described in the Partnership Agreement, these units have certain rights and obligations, including mandatory distributions, that indicate that the substance of the units represent a financial liability and are measured at amortized cost using the effective interest method. The return on the units is classified as a finance expense. All finance expenses associated with the units have been capitalized.

7.2 Class B Limited Partnership Units

<i>As at (thousands of Canadian dollars)</i>	September 30		December 31	
	Units	2017	Units	2016
Class B limited partnership units, beginning of period	25	399,086	25	207,396
Contributions	-	54,979	-	168,132
Accrued interest	-	27,233	-	23,558
Class B limited partnership units, end of period	25	481,298	25	399,086

LABRADOR - ISLAND LINK HOLDING CORPORATION
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

8. NET FINANCE INCOME

<i>For the period ended September 30 (thousands of Canadian dollars)</i>	Three months ended		Nine months ended	
	2017	2016	2017	2016
Finance income				
Interest on investments	2,174	828	2,222	4,657
Other interest income	2,187	2,322	6,394	6,623
	4,361	3,150	8,616	11,280
Finance expense				
Interest and fees on long-term debt	31,516	22,952	80,212	68,852
Interest on Class B limited partnership units	9,795	5,898	27,233	16,191
Bank charges	3	(7)	8	-
	41,314	28,843	107,453	85,043
Interest capitalized during construction	(37,492)	(26,167)	(100,311)	(75,176)
	3,822	2,676	7,142	9,867
Net finance income	539	474	1,474	1,413

9. OTHER INCOME

<i>For the period ended September 30 (thousands of Canadian dollars)</i>	Three months ended		Nine months ended	
	2017	2016	2017	2016
Realized foreign exchange (gain) loss	(13)	1	(258)	(239)
Unrealized foreign exchange (gain) loss	(30)	(5)	93	(353)
Other income	43	4	165	592

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

10.1 Fair Value

The estimated fair values of financial instruments as at September 30, 2017 and December 31, 2016 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 disclosed are not necessarily indicative of the amounts that LIL Holdco might receive or incur in actual market transactions.

As a significant number of LIL Holdco's assets and liabilities do not meet the definition of a financial instrument, the fair value estimates disclosed do not reflect the fair value of LIL Holdco 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).

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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 measurements during the periods ended September 30, 2017 and December 31, 2016.

	Level	Category	Carrying Value	Fair Value	Carrying Value	Fair Value
<i>As at (thousands of Canadian dollars)</i>			September 30, 2017		December 31, 2016	
Financial assets						
Investments	2	HTM ¹	682,210	682,210	28,951	28,949
Financial liabilities						
Long-term debt	2	OFL ²	3,451,922	3,689,668	2,400,569	2,715,343
Class B limited partnership units	3	OFL ²	481,298	481,298	399,086	399,086

¹Held-to-maturity investments

²Other financial liabilities

The fair values of cash, restricted cash, trade and other receivables 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 fair values of long-term debt are determined using observable inputs other than unadjusted quoted prices, such as interest rate yield curves.

The Class B limited partnership units are carried at amortized cost, calculated using the effective interest method, which approximates fair value. The effective interest rate is defined in the Newfoundland and Labrador Development Agreement as Emera NL's rate of return on equity, and is equal to the rate approved by the Newfoundland and Labrador Board of Commissioners of Public Utilities for privately-owned regulated electrical utilities. Due to the unobservable nature of the effective interest rate and resulting discounted cash flows associated with the units, the instruments have been classified as Level 3.

The table below sets forth a summary of changes in fair value of the Company's Level 3 financial liabilities given a percent change in the discount rate while holding other variables constant:

<i>(thousands of Canadian dollars)</i>	1% increase in discount rate	1% decrease in discount rate
Class B limited partnership units	(9,159)	8,989

10.2 Risk Management

The Company is exposed to certain credit, liquidity and market price risks through its operating, financing and investing activities. Financial risk is managed in accordance with a Board-approved policy, which outlines the objectives and strategies for the management of financial risk. Permitted financial risk management strategies are aimed at minimizing the volatility of the Company's expected future cash flows.

LABRADOR - ISLAND LINK HOLDING CORPORATION
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

Credit Risk

The Company's expected future cash flows are exposed to credit risk through financing activities, primarily due to the potential for non-performance by counterparties to its financial instruments. Credit risk on cash and cash equivalents, restricted cash and investments is minimal, as the Company's deposits are held by Canadian Schedule 1 Chartered Banks with ratings of A, A+ and AA- (Standard and Poor's). The degree of exposure to credit risk on trade and other receivables and advances is determined by the financial capacity and stability of the counterparties whereby the maximum risk is represented by their carrying value on the Consolidated Statement of Financial Position at the reporting date.

Liquidity Risk

The Company is exposed to liquidity risk with respect to its contractual obligations and financial liabilities. Liquidity risk management activities are directed at ensuring cash is available to meet those obligations as they become due. Short-term liquidity is provided through restricted cash, cash and cash equivalents on hand, partnership contributions and shareholder contributions. The Company can access the funds drawn down from the LIL Construction Facility and partnership contributions for the payment of construction costs as well as interest payments.

The following are the contractual maturities of LIL Holdco financial liabilities, including principal, sinking fund and interest, as at September 30, 2017:

<i>(thousands of Canadian dollars)</i>	< 1 Year	1-3 Years	3-5 Years	> 5 Years	Total
Trade and other payables	330,211	-	-	-	330,211
Long-term debt (including interest and sinking fund)	119,063	238,127	391,116	6,037,930	6,786,236
Unit B partnership units	-	-	117,308	1,925,043	2,042,351
	449,274	238,127	508,424	7,962,973	9,158,798

Market Risk

In the course of carrying out its operating, financing and investing activities, the Company is exposed to possible market price movements that could impact expected future cash flow and the carrying value of certain financial assets and liabilities.

Interest Rates

Changes in prevailing interest rates will impact the fair value of financial assets and liabilities. Expected future cash flows from these assets and liabilities are also impacted in certain circumstances.

Foreign Currency and Commodity Exposure

The Company does not hold any financial instruments whose value would vary due to changes in a commodity price or fluctuations in foreign currency exchange rates. Cash flow exposure to commodity price and foreign exchange risk arises primarily through investing activities, most notably US dollar denominated capital expenditures, and regular procurement activities. Exposure arising from capital expenditures is evaluated on a case by case basis. Where possible, contracts are denominated in CAD.

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11. RELATED PARTY TRANSACTIONS

LIL Holdco 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 LIL Holdco transacts are as follows:

Related Party	Relationship
Nalcor	100% shareholder of LIL Holdco
Emera NL	Limited Partner holding 25 Class B limited partnership units of LIL LP
Labrador Transmission Corporation (Labrador Transco)	Wholly-owned subsidiary of Nalcor
LIL GP	Wholly-owned subsidiary of Nalcor, general partner of LIL LP
LIL Opco	Wholly-owned subsidiary of Nalcor
Lower Churchill Management Corporation (LCMC)	Wholly-owned subsidiary of Nalcor
Muskrat Falls Corporation (Muskrat Falls)	Wholly-owned subsidiary of Nalcor

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

- (a) As at September 30, 2017, LIL Holdco has related party payables totaling \$25.3 million (December 31, 2016 - \$6.9 million) with LCMC, Muskrat Falls, Labrador Transco, and Nalcor. These payables consist of various intercompany operating and construction costs.
- (b) During 2017, LIL LP had incurred costs of \$1.9 million (September 30, 2016 - \$13.7 million) related to assets under development which LIL LP controls the right to collect costs through the LIL Lease Agreement and TFA with LIL Opco and Hydro.
- (c) During 2017, Nalcor made contributions to LIL Holdco in the amount of \$101.3 million (September 30, 2016 - \$12.4 million).

12. COMMITMENTS AND CONTINGENCIES

- (a) As part of the LIL PFA, the Partnership has pledged its current and future assets as security to the Collateral Agent. Under the terms and conditions of the IT PFA, the Partnership has also provided a guarantee of the IT's payment obligations to the Collateral Agent for the benefit of the LIL Funding Trust. The Company has pledged the escrow account, where the pre-funded equity contribution has been deposited, as security to the Collateral Agent.
- (b) Under the terms and conditions of the Partnership Agreement, LIL Holdco has committed to fund its share of the capital expenditures of the LIL.
- (c) LIL LP is subject to legal proceedings in the normal course of business. Although the outcome of such actions cannot be predicted with certainty, Management currently believes LIL LP'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.
- (d) Outstanding commitments for capital projects, total approximately \$232.6 million (December 31, 2016 - \$598.8 million). Outstanding commitments related to the Project Finance Agreements total approximately \$246.6 million as at September 30, 2017 (December 31, 2016 - \$1,268.6 million).

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13. SUPPLEMENTARY CASH FLOW INFORMATION

	Three months ended		Nine months ended	
<i>For the period ended September 30 (thousands of Canadian dollars)</i>	2017	2016	2017	2016
Trade and other receivables	7,424	(1,358)	4,700	5,582
Prepayments	489	-	652	-
Trade and other payables	(138,468)	186,172	(245,914)	252,230
Changes in non-cash working capital balances	(130,555)	184,814	(240,562)	257,812
Related to:				
Operating activities	7	24	11	(13)
Investing activities	(130,562)	184,790	(240,573)	257,825
	(130,555)	184,814	(240,562)	257,812