

2019 Atlantic Accord Review

The 2019 Atlantic Accord review ensures Newfoundlanders and Labradorians are the principal beneficiaries of their offshore resources, strengthens how those resources are developed through joint management, and includes a federal commitment to achieve electricity rate mitigation. The agreement involves:

A New Revenue Stream

- ▶ **In excess of \$2.5 billion** through a new guaranteed revenue stream for our province.
 - ▶ **\$2.5 billion** immediate reduction to the provincial net debt.
 - ▶ **\$1.9 billion, or 60 per cent** of cash installments will be received by 2030. These installments begin this year and continue until 2056 with no restrictions on their use.
 - ▶ **\$5,000** reduction in net debt for every Newfoundlander and Labradorian.
 - ▶ **16 per cent** total decrease in provincial net debt.
 - ▶ **Approximately \$100 million** in interest savings by 2056.
 - ▶ This guaranteed revenue stream is from the Federal Government's equity interest in the Hibernia project.

Strengthened Accord

- ▶ Includes a dispute settlement clause that ensures Newfoundland and Labrador's rights are respected.

Joint Management

A federal commitment to strengthen the joint management of Newfoundland and Labrador's offshore development in areas such as:

- ▶ land tenure;
- ▶ worker safety;
- ▶ regulatory efficiency; and
- ▶ regulator modernization.

Electricity Rate Mitigation

- ▶ A federal commitment to examine the finances of the Muskrat Falls project to achieve rate mitigation.
- ▶ The Federal Minister of Finance will engage the Premier directly to advance this work.

Our Resources / Our Future

- ▶ Newfoundland and Labrador will continue to receive **100 per cent** of its offshore resource revenues as if these resources were on land.
- ▶ This agreement will be reflected in Budget 2019, and positively affect the province for generations.