

1 Q. Further to the response to PUB-Nalcor-050 which states the current forecast for  
 2 2021 O&M for the Muskrat Falls Project is \$76 million and Attachment 1 to that  
 3 response dated March, 2018, page 13 which shows a forecast 2021 O&M for the  
 4 Muskrat Falls Project as \$106.3 million and Attachment 2, dated October, 2018,  
 5 page 5 which shows the forecast as \$97.4 million and the response to PUB-Nalcor-  
 6 026, Attachment 1, page 15 which gave a 2012 forecast for the 2021 O&M costs  
 7 for the Project of \$34 million, please provide a table explaining in detail the  
 8 differences in the four different forecasts given for 2021 O&M for the Muskrat Falls  
 9 Project.

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 12 A. The explanations requested are outlined in the PUB-Nalcor-50, Attachment 1, PUB-  
 13 Nalcor-50, Attachment 2, and PUB-Nalcor-51 and are summarized below:

(1)	The \$76 million referred to in PUB-Nalcor-050	This is included in the \$97.4 million Forecast 2021 O&M cost figure found on page 5 of PUB-Nalcor-50, Attachment 2, dated October 2018. It represents the \$97.4 million amount, less the Water Power Rental (\$15.6 million) and IBA Payments (\$5.8 million). This O&M cost forecast was prepared as part of Nalcor’s Budget 2019 process.
(2)	Attachment 1 to PUB-Nalcor-050, dated March, 2018, page 13 which shows a forecast 2021 O&M for the Muskrat Falls Project as \$106.3 million	The \$106.3 million represents the Forecast 2021 O&M cost figure prepared as part of Nalcor’s Budget 2018 process, as outlined on page 13 of PUB-Nalcor-50, Attachment 1, dated March 2018. Pages 23-30 of PUB-Nalcor-50, Attachment 2, dated October 2018, provide a detailed Variance Analysis comparing the O&M cost forecasts prepared during Nalcor’s 2019 Budget process to those prepared during the Budget 2018 process.

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(3)	Attachment 2 to PUB-Nalcor-050, dated October, 2018, page 5 which shows the forecast as \$97.4 million	Please see (1), above.
(4)	PUB-Nalcor-026, Attachment 1, page 15 which gave a 2012 forecast for the 2021 O&M costs for the Project of \$34 million	The factors driving the differences between the 2012 forecast of \$34 million and the updated O&M cost estimates noted in (1) and (2) above would be consistent with those factors outlined in PUB-Nalcor-051.