Q. Will the implementation of a Water Management Agreement require that CF(L)Co take into account factors in addition to those currently taken into account pursuant to CF(L)Co's Water Lease and its contract with Hydro Quebec when it makes decisions about how much water to release into the Lower Churchill River and/or the CF(L)Co tailrace?

A. The implementation of the Water Management Agreement will not require CF(L)Co to take into account any additional factors. The implementation of the Water Management Agreement will require CF(L)Co to adhere to the production schedules set by the Independent Coordinator as opposed to the production schedules provided directly by CF(L)Co's customers.

Q. Will the implementation of the Water Management Agreement result in a different flow in the Lower Churchill River and/or the CF(L)Co tailrace at particular times and places than under current practice?

A. It is not anticipated that there will be any material difference in the annual flow from the CF(L)Co tailrace or in the Lower Churchill River under water management and the flow that would otherwise occur.

The anticipated monthly variations in volumes of water associated with energy banking during an average precipitation year are approximated in the information contained in the answer to PUB-NE-49.

Under water management, the hourly flows may vary from what otherwise would have been the case in the absence of water management. However, any such change will be within the limits of existing flow parameters established for the Churchill Falls facilities. Water management will operate within those existing flow parameters.

Flow parameters for the lower Churchill facilities will be established through the environmental assessment and subsequent permitting processes. Nalcor has recognized in the environmental assessment process that the minimum flow in the Churchill River, including at the Churchill Falls tailrace, will be approximately 475 cubic meters per second. Water management will operate within the parameters established for the lower Churchill facilities.

Q. If so, what is the anticipated percentage difference in the Lower Chruchill *(sic)* River and/or the CF(L)Co tailrace between the flow that will exist after the implementation of the Water Management Agreement and the flow that would otherwise be present?

A. Dispatch under the Water Management Agreement and hence effect on tailrace flows occurs hour by hour. Flows under water management will be within the existing parameters for the upper Churchill facilities and within the parameters to be established for the lower Churchill facilities. It is not possible to determine in advance what the flows will be, or would otherwise have been, in any particular hour in the future, as already discussed in the response to PUB-NE-23.

The anticipated monthly variations in volumes of water associated with energy banking during an average precipitation year are approximated in the information contained in the answer to PUB-NE-49.

It is not anticipated that there will be any material difference in the annual flow from the CF(L)Co tailrace or in the lower Churchill River under water management and the flow that would otherwise occur.