

1 Q. Re: Capital Plan, p. 5:

2 What is the current status of the proposed addition of the upgrade of the
3 transmission line corridor between Bay d’Espoir and Western Avalon?

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6 A. The proposed capital budget addition Upgrade Transmission Line Corridor – Bay
7 d’Espoir to Western Avalon includes the addition of a new 230 kV transmission line
8 between Bay d’Espoir and Western Avalon Terminal Stations. This system addition
9 is required with the addition of the next major energy source for the Island whether
10 that occurs in an isolated Island scenario or from a Labrador — Island transmission
11 link. Nalcor’s preferred energy source addition is the Lower Churchill Project Phase
12 I, including the Muskrat Falls hydroelectric development and the Labrador – Island
13 HVdc Transmission Link. The final project sanction decision is expected Fall 2012.
14 Given that the expected in-service date of the Labrador – Island HVdc Transmission
15 Link is 2017, Hydro has moved the Upgrade Transmission Line Corridor – Bay
16 d’Espoir to Western Avalon proposal to coincide with the 2017 in-service date. As
17 such, Hydro does not require capital funds for this project until 2014. Consequently
18 a decision on this project will be required by the Board as part of Hydro’s 2014
19 Capital Plan.