

1 Q. With reference to the Schedule of Capital Expenditures 2008-2017, Total Capital
2 Expenditures are projected to increase, from \$66,145,000 budget in 2013 to
3 \$111,682,000 budget in 2014, and will continue to increase to \$153,322,000 budget
4 in 2017. The largest component of these increases is in Transmission and Rural
5 Operations. Is the primary driver for these increases in Transmission and Rural
6 Operations expenditures the cost of adding to and upgrading the Island
7 Transmission system to facilitate and accommodate the transmission of Muskrat
8 Falls power?

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11 A. There are no projects in the plan to facilitate or accommodate the transmission of
12 Muskrat Falls power. The costs noted above are driven by asset condition, system
13 operating conditions and load growth.