

1 **Q.** **In Section 6.1: Industrial Rate Design, page 42, lines 5-6, the consultants contend**
2 **that one of the perspectives of the 2008 report, that "Holyrood generation would**
3 **be the incremental cost for the system for a substantial future period of time," is**
4 **no longer valid. Do you agree that until the Island-Labrador Interconnection**
5 **comes online, Holyrood remains the incremental generation cost of the system? If**
6 **you disagree please provide a detailed explanation.**

7 **A.** **Yes, prior to Island – Labrador interconnection Holyrood continues to be marginal**
8 **resource to produce energy in the Island Interconnected system. This will continue for**
9 **approximately 24 months after the final approvals are expected in the current GRA.**