

1 **Q. What is the maximum levelized cost of energy upon which Newfoundland Power**  
2 **would still consider it prudent to proceed with the Pierre's Brook project?**

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4 A. Newfoundland Power has not performed the necessary analysis to determine the  
5 *maximum* levelized cost of energy beyond which the Company would not consider it  
6 prudent to proceed with the Pierre's Brook hydroelectric plant refurbishment (the  
7 "Pierre's Brook Project").

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9 Newfoundland Power considers the levelized cost of 4.87¢/kWh over a 50-year period  
10 indicated for the Pierre's Brook Project to be consistent with the least cost supply of  
11 power to its customers. The levelized cost of 4.87¢/kWh over a 50-year period is also  
12 indicative of the prudence of proceeding with of the Pierre's Brook Project.

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14 Please see the response to Request for Information NLH-NP-007.