

**Reference from the Lieutenant-governor in Council  
On the Muskrat Falls Project  
(the "Muskrat Falls Review")  
REQUESTS FOR INFORMATION**

1 CA/KPL-Nalcor-187 Consumer Question: See p 196, volume 2 p196, MHI states, "It is  
2 noteworthy that Nalcor has incorporated a large investment programme in  
3 the isolated island Option for reducing the environmental footprint of  
4 Holyrood. The question arises as to whether or not this is necessary as  
5 switching to 0.7 sulphur fuel has accomplished as much as is necessary  
6 to meet Provincial environmental targets for SO". The cost of the  
7 Holyrood environmental upgrade is approximately \$600m. The impact on  
8 the CPW would be to reduce the CPW by \$400m from \$2.2b to \$1.8b if  
9 this was not done.

10 (a) The in service date is 2015 per table 35. p 196 for the \$600m  
11 Holyrood environmental upgrade. Why is the CPW only reduced by  
12 \$400m for a \$600m 2015 expenditure?

13 (b) If this \$600m is not an environmental or a legislative requirement, why  
14 is Nalcor including the \$600m as a cost in the isolated island option?  
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16 CA/KPL-Nalcor-188 Consumer Question: See p. 197, vol. 2, MHI states that if the total  
17 capital costs for the TL & for the MF site increase by 25% the CPW  
18 would be reduced by \$577m. MF generating site has in service cost of  
19 \$2.9 (no IDC because of 100% equity financing). What is the impact on  
20 the CPW if the MF site has in service capital cost of \$3.5b?  
21

22 CA/KPL-Nalcor-189 Consumer Question: Re CA/KPL-102 re the new \$209m TL from Bay d'  
23 Espoir to relieve capacity restraint that restrict power deliveries to the  
24 Avalon. Nalcor states, "As planning for the new line have would had to  
25 be initiated a number of years before 2010 in service at which time the  
26 new the line was not needed". See MHI report, vol. 2, p. 102, Hatch  
27 2008, Volumes 1 to 6HVdc integration study Hatch states that, "Many of  
28 the issues observed are not necessarily due to the HVdc infeed but rather  
29 due to the lack of transmission linking the generation in the west to the

load in the east". Was the TL needed in 2008 as stated in the 2008 Hatch report?

CA/KPL-Nalcor-190 Consumer Question: How much of the existing island generating capacity in the west in MWs can be used to fill this 275 MW capacity line?

CA/KPL-Nalcor-191 Consumer Question: See MHI report p.99, vol. 2, HVdc Converter Stations and Electrodes at MF there is a 900MW converter station. At Soldiers Pond there is a 810MW converter station. Can Nalcor comment on the 90MW difference? Is this due to TL losses?

CA/KPL-Nalcor-192 Consumer Question: See MHI P206, HVdc System Losses, MHI states, "Nalcor assumed HVdc systems losses at 5% however there is reason to believe they could be higher than 10% is Nalcor's worst case". Can Nalcor provide an analysis of the impact if the TL loss is 10%?

- (a) on the CPW
- (b) Can Nalcor provide comment on the impact on the PPA analysis in Nalcor exhibit #36?
- (c) What will the increase in cents per kwh on the PPA price to Hydro?
- (d) In reply to PUB-Nalcor 46, Nalcor states that in year 1 on a cost of service basis (COS) MF power cost would be would be \$214/MW. What is COS power cost in year 1 in MWH if the TL losses are 10%?
- (e) See p101 MHI p 101 " The MF Generating Station is rated @ 824 MW (515MW continuous rating and produces an average of approximately 4.91 TWH annually". If the TL losses are 10%, does that mean 4.91 TWH( less 10% TL losses .49twh) = 4.43 TWH is effectively the amount of energy that can be delivered to Soldiers Pond?

CA/KPL-Nalcor-193 Consumer Question: See Revisions to Nalcor Submission of November 10, 2011, Table 29, p. 126 of 158, revision 1, now referred to as Table 1, Summary of CPW Sensitivity Analysis with Respect to Reference Case And Preference (present value 2010 \$ millions). The reference case shows a CPW preference for the interconnected island of \$2,158 with the

- 1 Federal Loan Guarantee this is \$2,758, an increase of \$600m.
- 2 (a) Can Nalcor provide a schedule by year out to the end of 2067
- 3 showing the actual amount saved by year?
- 4 (b) What interest rate was used prior to the FED guarantee?
- 5 (c) What is the interest rate with the FED guarantee?
- 6 (d) What debt / equity ratio was used?
- 7 (e) What in service capital costs were used for the MF site &for the TL to
- 8 produce this \$600m saving?
- 9 (f) Was IDC included on the MF site to get the benefit of the FED
- 10 Guarantee?
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13 Dated at St. John's in the Province of Newfoundland and Labrador, this 6<sup>th</sup> day of February,

14 2012.

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