

1 Q. Consumer Question: Hydro is proposing a new transmission line (TL) from Bay
2 d'Espoir to the Avalon at a cost of \$209 Million which would increase the firm
3 capacity by 275 MW (see p. 24 - Hydro report - Upgrade Transmission Line Corridor
4 - Bay d'Espoir to Western Avalon). If 275 MW is available for the cost of a new \$209
5 Million TL, is major new power generation urgently required or can the decision be
6 delayed?

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9 A. The justification for the new transmission line is provided in Nalcor's response to
10 PUB-Nalcor-153. The new line is required in both the Isolated Island and
11 Interconnected Island alternatives.

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13 While the new transmission line only provides capability to transmit power from
14 generation resources, new generation capacity is required in the 2015 timeframe
15 and an energy deficit is forecasted in the 2020 timeframe. As a result, investments
16 in generation projects and facilities must be made to meet these needs, and
17 Nalcor's analysis indicates the Interconnected Island alternative, including the
18 construction of Muskrat Falls and the Labrador Island Transmission Link, is the least
19 cost generation expansion plan for the island.