

1 Q. Consumer Question: in 126 (a) Nalcor states that "The cost of the Labrador Island
2 Transmission Link is not included in the \$214 MWH" Can Nalcor provide in \$ per
3 MWH the cost of the TL in year 1 to be added to the \$214/MWH to give a total
4 cost?

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7 A. The costs of the Muskrat Falls PPA and the Labrador Island Transmission Link are
8 provided in Nalcor's response to CA/KPL-Nalcor-27 Revision 1, Columns 2 and 3 on
9 page 6 of 7. The total unit cost is provided in Column 5 on the same schedule.

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11 Please note that the \$214/MWh referenced in the question relate to a pricing
12 approach that will not be used by Nalcor. For the reasons outlined in PUB-Nalcor-
13 46 and Exhibit 36, Nalcor will be using an escalating price model for Muskrat Falls
14 Energy. Also, as indicated in Nalcor's response to PUB-Nalcor-177, the selection of
15 the pricing model has no impact on the CPW analysis, and the selection of the
16 Interconnected Island Alternative as the preferred generation expansion
17 alternative.