Q. 1 Consumer Question: Exhibit CE-28 is a study called "Churchill River Complex: Power 2 and Energy Modeling Study" conducted by Acres International and dated 1998. In 3 that study, there was no AC/DC converter (and therefore no converter losses) and no transmission congestion, and the average energy reported for Muskrat was 4.4 4 5 TWh/yr at the generator (Table S-1) and 4.26 TWhyr at Quebec border (Table 6 S-2). Firm energy at the generator was reported by Acres at 4.08 TWh (Table S-1). 7 Now Nalcor is claiming average energy of 4.9 TWh/yr and firm energy of 4.4 TWh/yr. 8 9 10 (a) What is the basis for Nalcor's 4.9 TWh/yr average energy estimate? In 11 replying, please explain all differences between the current estimate 12 and the estimate in CE-28. In addition, include a detailed discussion 13 of any spillage of water at both Muskrat Falls and all other 14 interconnected hydro-electric facilities in order to accommodate 15 production from Muskrat Fall? If full integrated spillage analysis is not 16 available, please indicate when it will be available and provide the terms of reference for that work. 17 (b) Please quantify the forecasted annual spill of water that is expected at 18 19 Muskrat Falls by year over the period 2017-2067. Provide the spillage 20 estimate at Muskrat Falls by month assuming a normal water year in 21 2018, 2028, 2038, and 2048. 22 (c) Please quantify the forecasted annual spill of water that is expected at 23 on-island generation by year over the period 2010-2067 under both

the isolated island and integrated system scenarios.

24

1	A.	(a)	Please note that Table S-1 of Exhibit CE-28 (Public) does not state that the	
2			average production of Mus	krat Falls is 4.4 TWh. Table S-1 of Exhibit CE-28
3			(Public) shows the followin	g:
4				
5				
6			Model Setups	Incremental
7			Average Energy (TWh/yr)	
8			CF1 + Gull	46.28
9			CF1 + Gull + Muskrat	50.69
10				
11			Difference	4.41
12				
13			The difference between the	e two model setups is not the expected average
14			production of Muskrat Falls	s, but rather the expected average production at
15			Muskrat Falls less the expe	cted production loss at Gull Island resulting from
16			the presence of the Muskra	at Falls reservoir. The presence of the Muskrat
17			Falls reservoir reduces out	out at Gull Island slightly, with the result that
18			incremental average produ	ction on the river system is 4.41 TWh after
19			impoundment of the Musk	rat Falls reservoir. The same rationale explains
20			the difference between inc	remental annual firm production on the system
21			and Muskrat Falls annual fi	rm production.
22				
23			Table 5-4 of Exhibit CE-28 (Public) reports Muskrat Falls average annual
24			production at 4.91 TWh; th	is average annual production is in accordance
25			with the 4.9 TWh currently	used by Nalcor.

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1	-	Integrated spillage analysis for Muskrat Falls is included in Confidential
2		Exhibit CE-26, and this Confidential Exhibit has been made available to the
3	}	Board and its Consultant. Public release of this document is not possible.
4		Please note that Nalcor's hydrological modeling has been reviewed by MHI
5		who concluded that Nalcor's Muskrat Falls studies were "comprehensive
6	i	and detailed, with no apparent weaknesses identified."1
7	,	
8	(b)	Public release of this information is not possible, as this information is
9		confidential and commercially sensitive.
10		
11	(c)	Public release of this information is not possible, as this information is
12		confidential and commercially sensitive.

 $^{^{\}rm 1}$ Manitoba Hydro International Report, Volume 2, page 54