Q. PUB-Nalcor-73 seems to imply that if excess energy from Muskrat Falls could be sold, the financial terms of the PPA for the purchase of Muskrat Falls energy would not change to the benefit of customers. What opportunities will there be for the consumer to recover costs associated with the sale of surplus energy once the decision to advance the MF and LIL project has been made? Will the PPA terms be flexible, or is it envisaged that the customers will be subject to a fixed term despite the ability to sell excess energy?

A. Consistent with the Reference Question, for the purposes of DG2, Nalcor's analysis has assumed that no monetization of surplus energy will occur. Even with this assumption, the Interconnected Island alternative has a $2.2 billion preference over the Isolated Island alternative.

The distribution of benefits from the sale of surplus energy is a policy decision within the purview of the Government of Newfoundland and Labrador.