

1 Q. With reference to Exhibit 5 (Summary), costs for the Isolated Island Option include  
2 \$20 million per year for the Holyrood Plant life extension for the years 2012 to  
3 2016. Why are these amounts not included for the Muskrat Falls project as not only  
4 is the Holyrood plant's reliability required for the same period 2012 to 2016 but  
5 also in standby mode from 2017 to 2021 as backup to the HVDC link?  
6

7 A. Funds are included between 2012 and 2016 for the Holyrood Plant life extension for  
8 expenditures necessary to operate the plant reliably as a prime power source for  
9 the period beyond 2016.  
10

11 The \$20 million per year has not been included in the Interconnected Alternative to  
12 minimize unnecessary expenditures at Holyrood as the link is expected to be a  
13 prime power source beyond 2017. Annual operating funds for the Holyrood plant  
14 have been maintained in the Interconnected Alternative for the period out to 2021  
15 commensurate with its intended service as a standby source during the early  
16 operational years for the Labrador Island Transmission Link.