Q. In response to PUB-Nalcor-16 regarding the potential increase of Rio Tinto's production capacity in Labrador by 100 percent, Nalcor states:

"Nalcor will have 2TWh of production available from Muskrat Falls, and approximately 1 TWh available from Churchill Falls recall to meet needs in Labrador".

Current requirements for Rio Tinto's operations in Labrador is approximately 2.2 TWh. Assuming a 100 percent increase in production would require approximately 2 TWh, this would leave about 1 TWh available from Muskrat Falls and Churchill Falls recall. From Nalcor's forecast for the Island Interconnected System, this surplus energy would be required to meet Island needs within a 10-year timeframe. This does not provide for any additional domestic or industrial load growth in Labrador or industrial load growth on the Island. Also energy exports on the potential Maritime Link to Nova Scotia would be limited to the 1TWh contracted with Emera for a 35 year term.

In consideration of the above, and the fact that Nalcor's assessment of a Gull Island development with 800MW HVdc lines to Soldiers Pond and Salisbury, New Brunswick "did not meet Nalcor's financial targets," if Rio Tinto's planned expansion proceeds, how would Nalcor propose to meet load requirements in Newfoundland and Labrador beyond 2027?

A. Nalcor's comments in response to RFI PUB-Nalcor-65 indicate that Gull Island has not been "abandoned". Should Rio Tinto's requirements materialize (or other changes to the load forecasts occur), Nalcor would use the period between 2017

and 2027 to develop additional sources of supply. These additional sources of supply may include Gull Island, other hydroelectric sites, or wind development.