

1 Q. In the responses to MHI-Nalcor-3, p.3, it is stated that the option of accessing
2 Churchill Falls power in 2041 introduces other economic disadvantages as value is
3 lost through the deferral of monetization of the Province’s energy warehouse and
4 the economic and employment benefits from energy construction projects are
5 foregone for decades. Is it correct that this assumes that there will be no other
6 Lower Churchill developments for sales of power and energy outside the Province
7 prior to 2041?

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10 A. Nalcor’s statement in MHI-Nalcor-3 was not predicated on whether other lower
11 Churchill developments take place prior to 2041. Nalcor’s project plans foresee a
12 construction start of Muskrat Falls in 2012, so a deferral of Muskrat Falls
13 construction to some later date after 2012 represents a loss of value and benefits to
14 the Province.

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16 With a deferral of construction of the Labrador Island Transmission Link until the
17 years immediately preceding 2041, economic and employment benefits associated
18 with the link are deferred for decades – from 2012 to a year close to 2041.