

1 Q. With reference to Exhibit 3, Tables 1 and 7, please explain the reduction in Recapture Energy  
2 and Other Off-Island Purchases for 2018, and reduction in Recapture Energy for 2019, from what  
3 had been projected in Hydro's October 2018 filing.

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6 A. The reduction in Recapture Energy in 2018 and 2019 is due primarily to the unavailability of the  
7 Labrador-Island Link. Off-Island Purchases are made to displace Holyrood Thermal Energy. The  
8 reduction in other Off-Island Purchases in 2018 was due both to a reduced availability, as well as  
9 a reduction in opportunity to displace Holyrood Thermal Energy as compared with  
10 Newfoundland and Labrador Hydro's ("Hydro") October 2018 Filing.<sup>1</sup> Please refer to Hydro's  
11 response to LAB-NLH-010 for further details.

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<sup>1</sup> "2018 Cost Deferral and Interim Rates Application," (Rev. 2) November 14, 2018 (originally filed October 26, 2018), ("October 2018 Filing").