

1 Q. Further to IIC-NLH-11 please discuss if Hydro explored options with Newfoundland Power (NP),
2 such as the retirement of NP hydro units, to increase use and sales of Muskrat Falls generation
3 to serve Island loads.

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6 A. In the development of Newfoundland and Labrador Hydro's ("Hydro") base block entitlements
7 as outlined in Schedule 2 of the Muskrat Falls Power Purchase Agreement, it was assumed that
8 Newfoundland Power Inc. ("Newfoundland Power") would continue to produce 438 GWh of
9 hydraulic energy annually. Hydro has not had discussions with Newfoundland Power regarding
10 the retirement of its hydraulic units to increase use and sales of Muskrat Falls generation.