

- 1 **Q. (Reference Application, 4.1 Sandy Brook Hydro Plant Generator**  
2 **Refurbishment, page 9) It is stated “*This alternative therefore avoids***  
3 ***customers incurring additional costs to replace lost production from the Plant***  
4 ***with more expensive sources of generation.” What is the cost of the***  
5 **replacement generation and how does it compare to the cost of generation**  
6 **from Sandy Brook?**  
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- 8 A. Table 3 of report *4.1 Sandy Brook Hydro Plant Generator Refurbishment* provides the  
9 results of the economic analysis of the Sandy Brook Plant based on current capital cost  
10 estimates for the generator refurbishment and the latest marginal cost estimates from  
11 Newfoundland and Labrador Hydro. The updated economic analysis shows the cost of  
12 plant production is 3.27 ¢/kWh. The cost of replacement generation is between  
13 5.85 ¢/kWh and 7.88 ¢/kWh.