

1 Q. LAB-NLH-60: Re: LAB-NLH-033, Attachment 1

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3 **Preamble:**

4 By far the most significant investment on the Labrador transmission system from  
5 2016 through 2019 is the “Project Proposal – Interconnect MFA to HVY” in 2018,  
6 with a forecast cost of \$23,513,900.

7 a) Please provide a full description of this project.

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9 b) Has this project already been approved by the PUB?

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11 c) Please provide copies of (or references to, if found on the PUB website) any  
12 documents pertaining to this project, its cost, and its justification.

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14 d) Please explain the reasons why this investment is required.

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17 A. a) For a full description and justification, of the proposed “Muskrat Falls to Happy  
18 Valley Interconnection” project please refer to Hydro's 2018 Capital Budget  
19 Application (Revision 3), Volume 2, Tab 13, which can be found at the following  
20 link: <http://www.pub.nf.ca/applications/NLH2018Capital/index.htm>. Following  
21 the original submission of its 2018 Capital Budget Application, Hydro  
22 subsequently proposed a lower cost alternative to complete this project. The  
23 revised budget for this proposed project is \$19,978,500.

24 b) Hydro’s 2018 Capital Budget Application is currently under review by the Board.

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26 c) Please refer to part a).

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1           d) As explained in Hydro’s 2018 Capital Budget Application, the existing 138 kV  
2           transmission line from the Churchill Falls Terminal Station to the Happy Valley  
3           Terminal Station (TL240) is 269 km in length, posing line exposure risk. TL240 is  
4           also subject to voltage degradation due to its length, resulting in the line being  
5           unable to support forecasted demand without the deterioration of system  
6           voltages and ultimately system voltage collapse, which would result in customer  
7           outages. Further justification for the project “*Muskrat Falls to Happy Valley*  
8           *Interconnection*” can be found in Hydro's 2018 Capital Budget Application  
9           (Revision 3), Volume 2, Tab 13, Section 3.0.