

1 Q. **Volume 1 (1st Revision), Chapter 1: Corporate Overview**

2 Please identify the entity responsible for determining the costs to use the Muskrat
3 Falls Project transmission assets for off-island purchases and explain how those
4 costs are to be determined and approved. (Volume I
5 (1st Revision), Chapter 1: Corporate Overview, Page 1.10, Lines 19-20)

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8 A. Nalcor's Power Supply division is responsible for determining the costs to operate
9 and maintain the transmission assets of the Muskrat Falls Project, specifically the
10 Labrador-Island Link and the Labrador Transmission Assets. Hydro has been advised
11 that the current estimates provided to Hydro are supported by research into
12 existing HVdc transmission assets that have high reliability requirements similar to
13 those required of the Labrador-Island Link, and based on existing practices
14 employed in Newfoundland and Labrador on AC assets. It is Hydro's understanding
15 that approval of annual O&M budgets will reside with the Boards of Directors of the
16 companies owning these assets.¹

¹ The Labrador-Island Link is owned by the Labrador-Island Link Limited Partnership. The Labrador Transmission Assets are owned by the Labrador Transmission Corporation.