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\cap	Reference: Letter from NLH to the Board, dated November 30, 2018
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2 <u>Project schedule</u>

Please describe and quantify the increased transmission capacity available to local customers in 2019 resulting from the commissioning of the "Transmission / Muskrat Falls TS2 expansion".

A. The existing 138 kV transmission system configuration serving Labrador East is capable of delivering 77 MW to the 25 kV bus at the Happy Valley Terminal Station. With the completion of the first year (2019) of the proposed interconnection project, the system capacity will increase to a non-firm 104 MW. Due to transformer capacity at the Happy Valley Terminal Station., the capacity will increase by approximately 27 MW following the initial phase of the "Transmission / Muskrat Falls TS2 expansion." The second phase of the proposed project includes the installation of a fourth 50 MVA power transformer by the end of 2020. Upon the completion of this phase, the system capacity of 104 MW will be firm for the loss of a power transformer.