

1 Q. **Muskrat Falls to Happy Valley Interconnection, Volume II, Tab 13, Appendix A,**
2 **Eastern Labrador Transmission System – Planning Report, Section 5, Pages 7 - 19**

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4 Options 1 to 5 include costs for a wood pole management program for L1301 from
5 Churchill Falls to Muskrat Falls, and maintenance costs associated with the Churchill
6 Falls and MFATS3 138 kV terminal stations. Please recalculate the cumulative net
7 present values presented in Table 2: CPV Summary of Options Considered on page
8 22 of the report, with those costs excluded.

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11 A. Please see Table 1 regarding the calculated Cumulative Present Value for Options 2
12 to 5, including removal of wood pole management expenses associated with L1301,
13 Churchill Falls Terminal Station and Muskrat Falls Tap Station MFATS3. Given that
14 Option 1 includes the continued use of all noted assets, removing the wood pole
15 line management program and the operation and maintenance of the Churchill Falls
16 Terminal Station and Muskrat Falls Tap Station MFATS3 represents an imprudent
17 management philosophy and the resulting cost structure would result in a biased
18 comparison of Option 1 to the other options.

1 **Table 1 - CPV Summary of Options Considered**
 2 **Elimination of Options 2-5 Maintenance Costs associated with L1301/CF/MFATS3**

Long Term Supply of Happy Valley		
Alternative Comparison <i>Cumulative Net Present Value</i> <i>To The Year</i> 2017		
Alternatives	Cumulative Net Present Value (CPV)	CPV Difference between Alternatives and the Least Cost Alternative
Option 1- Status Quo Continued Supply From CF (New 125MVA Transformer at CF + 22MVAR Capacitor Bank at HV-GB)	\$ 33,478,915	+ \$ 17,717,283
Option 2 – One Single 138kV Circuit from Muskrat Falls to HV-GB (back-up from L1301) – One 6km section added	\$ 15,761,632	0
Option 3 – One Single 138kV Circuit from Muskrat Falls to HV-GB (back-up from L1301) – Two 6km sections added	\$ 22,514,093	+ \$ 6,752,461
Option 4- Two Single Circuit Supply from Muskrat Falls to HV-GB	\$ 45,574,532	+ \$ 29,812,900
Option 5- Two Single Circuit Supply from Muskrat Falls to HV-GB and New Terminal Station in HV-GB	\$ 60,917,801	+ \$ 45,156,169