

1 Q. **Reference: Study, Section 5, page 22, lines 5-10**

2 Preamble:

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4 *"[...] Unused power in Labrador may also be utilized on the island or exported to*
5 *external markets."*

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7 Please provide the determination or the assumption used by NLH to determine the value of
8 the reduction of power losses and additional exports to the Island and external markets
9 over the life of the asset. Is it always the amount of 35 \$_{CAD}/MWh mentioned in Appendix B,
10 page 12, line 17 regardless of time and duration?

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13 A. The assumption used to determine the value of the reduction of power losses and
14 additional exports was based on average realized prices for exports. The value of \$35 per
15 MWh is an approximation of the average realized export prices for the period ranging from
16 January 2017 to September 2018. It is also representative of the 5-year historic average
17 (\$35 per MWh). No escalation was assumed for export prices for the 25-year study period.