

1 Q. **Reference: Schedule 1 – Long-Term Supply for Southern Labrador – Phase 1**

2 Further to the response to NP-NLH-003, page 1 of 2, lines 2-3, has Hydro or the Government of  
3 Newfoundland and Labrador approached the Government of Canada to fully or partial fund an  
4 interconnection from southern Labrador to the Labrador Interconnected system similar to that  
5 described in Alternative 4? If yes, please provide details and/or documentation. If no, please  
6 explain why not given that there appears to be federal support for such initiatives in reducing  
7 CO<sub>2</sub>e emissions.

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10 A. Newfoundland and Labrador Hydro ("Hydro") has explored opportunities for federal funding in  
11 support of initiatives that could reduce greenhouse gas emission. As per Hydro's response to  
12 LAB-NLH-015 of this proceeding, Hydro completed an interconnection study for remote  
13 communities in Labrador. The study was funded by the Government of Canada's Department of  
14 Natural Resources through the Clean Energy in Rural and Remote Communities Deployment  
15 Program.

16 Hydro has also explored opportunities for funding support for infrastructure projects such as the  
17 development of hydroelectric facilities in the province and the construction of new transmission  
18 lines in Labrador. An example of this is Hydro's interactions with the Canada Infrastructure Bank  
19 ("CIB") regarding these projects. The CIB is a federal crown corporation that works to invest in  
20 infrastructure projects that are in the public interest, including clean power. Support from the  
21 CIB would involve access to discounted financing to improve the viability of such projects.

22 In the case of a potential interconnection from southern Labrador to the Labrador  
23 Interconnected System, access to discounted financing would reduce overall project cost.  
24 However, given that the direct cost of this project would exceed \$400 million, the project would  
25 still not be viable in consideration of other alternatives.