

1 Q. Further to Hydro's response to IIC-NLH-006, are the sustaining capital amounts paid in full by
2 Hydro to LIL OpCo at the time they come into service, or are they financed and depreciated as
3 an LIL OpCo capital asset? If the former, what financing is required and why?

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6 A. The sustaining capital amounts recovered through the Transmission Funding Agreement are
7 financed and depreciated as a capital asset of the Labrador-Island Link Operating Corporation.