

1 **Q. Reference: Schedule 1, Section 2**

2 How much export power is now sold in New York and New England. How will that change with
3 the commissioning of the Project and the Maritime Link? Does Hydro's projection of the
4 weighted average between New York and New England reflect current sales or the future
5 distribution when Muskrat Falls power becomes available for sale? How much additional energy
6 will be available for export sale upon commissioning of Muskrat Falls? Will all that power be
7 sold in New England?

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10 A. Please refer to Newfoundland and Labrador Hydro's ("Hydro") response to BKL-NLH-001 for
11 current market sales analysis. As discussed in Section 2.3.2 of Schedule 1,¹ with the
12 commissioning of the Muskrat Falls Project and the construction of the Maritime Link, Hydro
13 projects that the future value of most exports will reflect the prices in the New England
14 Massachusetts Hub energy market. All export sales across the Maritime Link are currently
15 forecasted to be linked to the New England wholesale energy market and will be included as
16 such. Sales across the Maritime Link include exports to Nova Scotia Power Inc. that are
17 incremental to the Nova Scotia Block included in the Energy and Capacity Agreement. Once
18 Muskrat Falls and the Labrador-Island Link are commissioned, Hydro projects export sales will
19 increase by approximately 2 TWh in the near term, with the majority of those sales across the
20 Maritime Link. The current near-term forecast has approximately forty percent of sales linked to
21 the New York wholesale energy market with sixty percent of sales linked to the New England
22 wholesale energy market. These volumes and weighted percentages are based on current
23 information and are subject to change. Chart 1 provides a recent forecast for market sales that
24 provides insight into the potential weightings of the market for the non-firm price.

¹ "Application for a Non-Firm Rate for Labrador," Newfoundland and Labrador Hydro, September 15, 2022, sch. 1, sec. 2.3.2, p. 7.

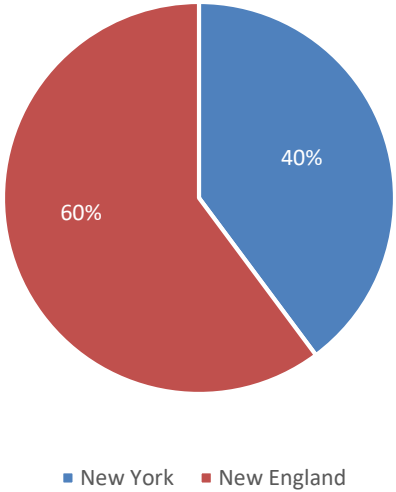


Chart 1: Forecast Percentage of Sales by Market (2024–2026)