

1 Q. Have the costs of the Muskrat Falls Option been included using a PPA approach as
2 opposed to actual capital expenditure cash flow in the CPW? If so, please explain
3 the rationale for doing so?

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6 A. The costs of Muskrat Falls energy have been included as a PPA.

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8 Nalcor's rationale for this approach for Muskrat Falls purchases has been outlined
9 in the responses to Request #4 from the Board's July 12 2011 letter to Nalcor and
10 MHI-Nalcor-18.