

1 Q. Reference is made on pg. 7 of Exhibit 23 to 300 MW of available recall capacity from
2 the Upper Churchill. How much of this is currently available and not sold under
3 existing contracts? Please outline the terms of any contracts for sale of the recall
4 capacity and energy, including the length of each contract.

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7 A. The 300 MW block is sold to NL Hydro in its entirety. NL Hydro meets the needs of
8 its non-industrial customers first and then makes any surplus energy available for
9 sales to the mines in Labrador and for export sales.

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11 In addition to its domestic and general service customers in Labrador, NL Hydro has
12 contracts with:

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- 14 • IOC for the supply of 62 MW of firm power, 5 MW interruptible, and secondary
15 power if available. That contract is rolled over on a month-to-month basis, and
16 • DND for the supply of 23 MW of secondary power, if available.

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18 In 2010, approximately 38% of the energy available under the 300 MW recall
19 contract was sold for end-use in Labrador, with the unused balance being sold into
20 export markets. In consideration of its obligations in Labrador, NL Hydro does not
21 enter into long term contracts for the sale of surplus power from Labrador.