

1    Q.    What public policy directives were used in the analysis to derive the power  
2           purchase price to be paid by Hydro to Nalcor for Muskrat Falls power and energy?

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5    A.    In deriving a power purchase price to be paid by Hydro to Nalcor Muskrat Falls  
6           power and energy, Nalcor has maintained general consistency with the public policy  
7           directive that Newfoundland and Labrador Hydro's return on equity be in line with  
8           that of Newfoundland Power and other Canadian regulated utilities.