Q. Reference: Tab 12; Volume II: Diesel Genset Replacements (2021-2022) 1 2 Hydro states on page 5, lines 6-7, that "Hydro recommends replacing Unit 574 with a new 925 3 kW 1,200 rpm diesel genset. A new genset will increase reliability and allow Hydro to meet firm 4 capacity requirements for 2021 and beyond." The estimated cost of the project is just over \$3 million. 5 6 Please outline the current status of the 1.8 MW Nain Wind Micro Grid Project, for which Hydro 7 is a strategic partner with the Nunatsiavut Government, that had been anticipated to begin 8 construction activities in 2021. 9 10 Newfoundland and Labrador Hydro ("Hydro") is supporting the Nunatsiavut Government on the 11 Α. ongoing front end engineering design ("FEED") phase of the Nain Wind Micro Grid Project. This 12 goal of this phase of the project is to validate the technical, energy systems, environment, 13 community acceptance, and economic performance of the project. Should the FEED phase 14 15 validate the above aspects, Hydro expects the Nunatsiavut Government to move forward into 16 the construction phase of the project. This would involve Hydro providing interconnection and 17 integration of the Nain Wind Micro Grid with the Hydro Diesel Plant and facilitating the 18 execution of a power purchase agreement. The Nunatsiavut Government has indicated to Hydro 19 that they anticipate construction may begin as early as the summer of 2021 with energization

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expected in late 2022.