Q. **Reference: Volume I, Schedule F 1.1, line 9; and Section 6.6.5, Table 6-5**

Provide the derivation of forecast net export revenue for the 2027TY, including monthly export volumes, the forecast export prices used (identifying the Intercontinental Exchange Salisbury price series and vintage), Maritime Link transmission costs, transmission tariffs, and losses netted in the calculation.

A. Please refer to PUB-NLH-107, Attachment 1. Net export revenue is forecast using the average of twelve-monthly pricing forecasts from September 2024 to August 2025 for specified export markets based on Intercontinental Exchange forward curves and S&P Global Commodity Insights North American electricity forecasts.

Newfoundland and Labrador Hydro
Derivation of Forecast Net Export Revenue for the 2027 Test Year
($ Millions)

	2027 Test Year	GWh	Rate	Ref
Net Margin from Incremental Recapture Energy	(2.1)	[redacted]		1
Exports Recognized Through Monetization	(38.1)			2
Net Export Revenue	(40.2)			

[1] Newfoundland and Labrador Hydro ("Hydro") uses Muskrat Falls energy to serve Labrador customers, freeing up recapture energy that can be exported. Hydro purchases the equivalent amount of energy from Muskrat Falls and sells this energy to Energy Marketing Corporation for export. The average sales price for the 2027 Test Year was [redacted] and the average power purchase price was [redacted] for a net average margin of [redacted] which is credited to customers. The purpose of these transactions is to optimize the available energy for export.

[2] Monetization payment under the Muskrat Falls Power Purchase Agreement between Hydro and Muskrat Falls Corporation. Monthly export volumes for monetization are not available as the total for the year is dependent on the determination of the deferred energy available to be monetized by Hydro.