

1 Q. Consumer Question: Hydro customers are paying the full cost of MF power. Does
2 the power purchase agreement between Nalcor & Hydro provide for any proceeds
3 from the sale of excess MF power to be used to reduce customer power rates in
4 future?

5

6

7 A. For the purposes of analysis, Nalcor has assumed there are no export sales and
8 consequently, Hydro customers are assumed to pay the full cost of Muskrat Falls
9 and the Labrador Island Transmission Link. This approach is consistent with the
10 terms of reference for this proceeding before the Board. Even with this
11 assumption, the Interconnected Island alternative is preferable over the Isolated
12 Island alternative.

13

14 The use of proceeds from the project, including those from potential export sales,
15 would be a future policy decision within the purview of future governments.