

1 Q. As highlighted in the Introduction on page 2 of Schedule 2, Midgard recommends that “Hydro
2 should continue to support and procure incremental low-cost renewable energy through power
3 purchase agreement (PPA) partnerships with community and Indigenous partners.”

4 Please confirm that PPA rates will either remain at 90% diesel-displacement rates (or better) for
5 future renewable energy developments in isolated diesel electricity generation regions.

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8 A. Newfoundland and Labrador Hydro’s current strategy for procurement of renewable energy in
9 isolated communities is through power purchase agreements with pricing equal to 90% of its
10 incremental fuel cost; no changes to power purchase agreement rates are being considered at
11 this time.