

1 Q. **Reference: Response to CA-NLH-083, part b**

2 Further to the response to CA-NLH-083, part b, (which was cross referenced to the response to
3 PUB-NLH-098), please provide the detailed calculation used to derive the Muskrat Falls expense
4 lead of 7.8 days.

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7 A. Please refer to CA-NLH-264, Attachment 1.

Working Capital - Muskrat Falls
Calculation of Expense Lead
2027

	Power Purchased		Service Days		Payment		% of Total	Weighted Average Days
	2027		Billing Days	Days	Total Days			
Muskrat Falls Supply Costs								
Power Purchases - Muskrat Falls	315.3							
Power Purchases - Transmission Funding Agreement	465.1							
	780.4	Note 1	15.2	-30	1	-13.8	96.8%	-13.4
Export Costs								
Muskrat Falls PPA Lab Exports	24.6							
	24.6	Note 3	15.2		1	182.5	3.1%	5.6
CF(L)CO Power Purchases								
Demand Energy CF(L)CO	1.0		15.2	-30	20	5.2	0.1%	0.0
	1.0							
Total	806.0						100.0%	-7.8

Note 1: Agrees to Muskrat Falls Supply Costs referenced in Schedule D-1, Page 1 of 1.

Note 2: Payment is due upon the first day of the month. This results in negative Total Days, as payment occurs before the related supply costs are received.

Note 3: Agrees to Power Purchase - Export Costs referenced in Schedule II, page 1 of 7. Relates to power purchases associated with the use of Muskrat Falls in Labrador to free up incremental Recapture Energy for export. Power Purchases are fully offset by export revenue. Please refer to Chapter 5, Table 5-5, footnote 34.

Note 4: Payment is assumed to be completed in the following period. Accordingly, 182.5 Total Days is used, representing an average of half a year (365 / 2). This assumption is applied to both export sales and export costs.