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**Subject :** LCP Assessment

Nalcor has produced, and updated over time, an analysis of island power rates with and without an infeed from Lower Churchill. I will give you the graphic output of this analysis tomorrow.

The analysis concludes that a stand-alone Muskrat project with an Island link, plus the closure of Holyrood, is a better option for long term generation than keeping Holyrood in operation.

The analysis is based on assumptions regarding the future price of oil, capital costs to upgrade and maintain the Holyrood plant, demand growth and supply growth, interest rates, etc.

The task is to review the data, assumptions and modeling techniques being used by Nalcor and determine whether the analysis is sound. This determination should also identify whether other option besides continued operation of Holyrood have been reviewed and properly assessed.

Robert