

1 Q. Further to the response to PUB-150 NLH (referenced in the response to CA-
2 145 NLH) please provide an explanation of the relationship between NLH
3 and Newfoundland Power, and between NLH and Industrial Customers, in
4 terms of customer-owned generation. For example, in what manner does
5 NLH cooperate with Newfoundland Power and Industrial Customers and
6 influence operation of their generation during normal operating conditions,
7 during high production cost periods, and during emergency operating
8 conditions and please provide any documented procedures covering NLH
9 influence and cooperation concerning customer-owned generation.

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12 A. Hydro has a good working relationship with the Industrial Customers and
13 Newfoundland Power. Information is exchanged on planned generation
14 outages to assess their potential impact on the power system. Hydro does
15 not frequently request customers to change the operation of their generating
16 plants. The Industrial Customers normally operate their plants to control their
17 purchase costs from Hydro. Newfoundland Power operates its plants to
18 maximize energy efficiency and dispatches them so that more units are on
19 line during peak hours. In certain instances Hydro may ask the customers to
20 increase their production within their capacity to do so to assist in meeting
21 high demands on the system. For less frequent cases Hydro will ask
22 Newfoundland Power to put its thermal plants into operation to assist in
23 meeting very high demands or to cover off loss of other generation.

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25 Please refer to Exhibit JRH-3 Appendix A System Operating Instruction:
26 Generation Loading Sequence and Generation Shortages for the procedure
27 used to request customer generation assistance.