1	Q.	On p	age 15 of Exhibit RDG-2 relating to the report on the treatment of NP	
2		gene	ration, it is noted that NP also derives benefits from its thermal	
3		gene	ration. It is stated that a sharing split of 50%/ 50% "may be supportable",	
4		and g	goes on to state that "it could be rationalized that the primary purpose of	
5		thern	nal generation is for peaking, which may more appropriately support a	
6		75%	(system support) / 25% (NP own use) split". Please respond to the	
7		following:		
8				
9		a.	Is NP thermal generation used for peaking, or is it more accurate to	
10			state that NP thermal generation is utilized by Hydro only during	
11			system operating emergencies?	
12		b.	Has Hydro ever directed operation of NP thermal generation simply for	
13			peaking operation; i.e., when there is no system emergency? Please	
14			provide a list of such instances.	
15		C.	How do other regulatory jurisdictions account for such sharing splits	
16			for thermal generation embedded in a distribution system?	
17		d.	On what basis did NP justify construction/acquisition of its thermal	
18			generation assets?	
19				
20				
21	Α.	a.	Hydro dispatches NP thermal generation using its economic	
22			generation dispatch order. NP thermal generation is utilized when it is	
23			less costly than another available source. NP thermal generation may	
24			therefore be used in either situation.	
25		b.	Recent requests for NP thermal generation are provided in IC 43 NLH.	
26			Hydro schedules its planned unit outages such that standby or	
27			peaking thermal generation, such as NP's thermal generation, are	
28			used only during unscheduled contingencies. Therefore, NP thermal	

		Page 2 of 2
1		generation, like Hydro's gas turbines and diesel plants, would only be
2		required during unscheduled contingencies and not routine daily
3		peaks.
4	C.	Instances of sharing splits for thermal generation embedded in a
5		distribution system in other jurisdictions have not been studied.
6	d.	This question would be better posed to Newfoundland Power.