

1 Q. With regard to the report entitled *Strategic Goals and Objectives for*  
2 *Newfoundland and Labrador Hydro* dated April 2006 (attached to CA 5 NLH):  
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4 (a) Page 3 references a business plan to be developed in 2006 to guide  
5 Hydro's diversification in the energy sector. Please provide a copy of  
6 this business plan.

7 (b) On page 6 it is stated that the company is taking a phased approach  
8 to test the technical and economic viability of the projects to ensure  
9 consumers receive a cost-effective energy source. Please reconcile  
10 this statement with the October 2, 2006 News Release by Hydro  
11 stating that another 25MW wind farm is being solicited in October  
12 2006.

13 (c) On page 12 Hydro references the Federal Government Purchase of  
14 Electricity from Renewable Resources Program. Please provide  
15 details of this program.  
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18 A. (a) Hydro's business plan, as it relates to diversification in the energy  
19 sector, will be formulated in conjunction with the Province's Energy  
20 Plan, which is not yet available.  
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22 (b) The results of Hydro's RFP for wind generation indicate that there is  
23 potential to deliver additional quantities of cost effective wind  
24 generation sooner than expected.  
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26 (c) Through the Purchase of Electricity from Renewable Resources  
27 (PERR) Program the Government of Canada is committed to  
28 purchasing 20% of its electricity needs (approximately 450 GWh/year)

1 from renewable resources, such as wind and biomass, in order to  
2 displace what it draws from carbon-intensive sources, such as natural  
3 gas and coal. The PERR Program is a joint initiative between Public  
4 Works Canada, Natural Resources Canada and Environment  
5 Canada.