

1 Q. Further to response to Request for Information CA-NLH-081:

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3 Please indicate if the expansion plans used as a basis for the marginal costs apply:

4 (i) the most recent changes to Hydro's planning criteria, as provided in IC-NLH-102;

5 and (ii) Hydro's most recent load forecasts. If not, when will Hydro update its

6 marginal costs to reflect its current planning criteria and load forecasts?

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9 A. (i) The marginal cost estimates provided in Hydro's response to CA-NLH-081 do
10 not reflect the modifications to Hydro's planning criteria provided in Hydro's
11 response to IC-NLH-102 (i.e., planning criteria revised to use a P90 peak
12 demand forecast rather than a P50 forecast as a basis for supply planning
13 decisions and the maintenance of a 240 MW reserve margin).

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15 (ii) The hourly load projections used to determine the average monthly
16 marginal costs for 2018 and 2019 provided in Hydro's response to CA-NLH-
17 081 were based on Hydro's load forecast which was prepared in March
18 2017. However, the transmission investment costs per kW used to derive
19 the marginal cost estimates were derived based on an earlier load forecast.

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21 Hydro's plans to update its marginal cost projections to reflect the revised planning
22 criteria prior to filing its Cost of Service Methodology review application.