

1 Q. **Re: Labrador Expansion Study, p. 40 (pdf)**

2 Citation:

3 7.2.1 Considerations for an Interconnection to Hydro-Québec

4 As per Table 11, if incremental loads are such that forecasted loads in
5 Labrador West exceed 434 MW, the least-cost alternative will involve an
6 interconnection with Hydro-Québec at its Bloom Lake (“BLK”) Station.

7 Hydro has been in consultation with Hydro-Québec TransÉnergie (“HQT”)
8 with respect to interprovincial interconnection alternatives. These
9 discussions have included cooperative transmission planning activities and
10 have allowed for a shared understanding of commercial processes if such
11 an interconnection were to be pursued.

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13 From a transmission planning perspective, a preliminary load flow study
14 has been performed cooperatively by personnel from both utilities. The
15 outcome of this analysis is that HQT has validated Hydro’s load flow
16 models and analysis and has provided preliminary confirmation of the
17 technical viability of the interconnection.

18
19 From a commercial standpoint, personnel from HQT have informed Hydro
20 that if the interconnection is to be pursued, a Transmission Service
21 Request will need to be submitted.³⁴ This request will be for a point-to-
22 point service to a new delivery point to be established at the border in
23 western Labrador. This request will trigger the system impact study
24 process.

25 a) Please explain Hydro’s power supply assumptions with respect to the Hydro-
26 Québec interconnection scenario. Would Hydro purchase electricity from
27 Hydro-Québec, or would it wheel its own power over the HQ transmission
28 system?

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1 b) In either case, please provide and explain Hydro’s estimates of the costs
2 involved.

3 c) Please explain why this least-cost option is not included in the derivation of
4 expansion costs (Table 1) in the Network Addition Policy.

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7 A. Questions relating to the “Labrador Interconnection System Transmission Expansion
8 Study” and the “Network Additions Policy,” filed by Newfoundland and Labrador
9 Hydro on October 31, 2018 and December 14, 2018 respectively, are not relevant
10 for this proceeding. The Board of Commissioners of Public Utilities has indicated by
11 letter dated November 20, 2018 and email dated December 20, 2018, both of which
12 were received by all intervenors, that a separate process will be established in
13 relation to those two filings.