

1 Q. Reference: LAB-NLH-006, p. 1

2 Citation:

3 824 MW is the design capacity of the Muskrat Falls Generating Station but, as is
4 the case with any generating station, this capacity is not expected to be
5 available at all times. However, the plant will be operated in coordination with
6 the Churchill Falls plant to ensure full capacity is available when required to
7 serve the customers of Muskrat Falls. Operating these two plants in a
8 coordinated manner results in more efficient operations and more energy being
9 available at both plants, thereby benefitting their respective customers and
10 shareholders, including Hydro-Quebec. This coordinated operation has no
11 impact on the ability of Hydro-Quebec to access capacity from Churchill Falls;
12 therefore, the Supreme Court ruling referenced is irrelevant. Given these
13 factors, Newfoundland and Labrador Hydro (“Hydro”) is confident that
14 coordinated operation between the plants will continue and that the full
15 capacity of Muskrat Falls will be available if and when required. (underlining
16 added)

17 a. Please provide support for the statement that “the plant will be operated in
18 coordination with the Churchill Falls plant to ensure full capacity is available
19 when required to serve the customers of Muskrat Falls”. Is this statement
20 based on a formal agreement with CF(L)Co? If so, please provide a copy. If not,
21 please explain in detail the justification for the statement.

22 b. Please explain how, during a peak period when the full output of the Muskrat
23 Falls Generating Station is required to serve NLH and its other customers, Hydro
24 can be sure that supplemental power will be available from Churchill Falls,
25 without infringing on Hydro-Québec’s access to its full capacity?

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28 A. The information requested is not relevant to the matters under consideration in the Supply Cost
29 Accounting Application proceeding, as required by Section 14 of the *Board of Commissioners of*
30 *Public Utilities Regulations, 1996.*