

1 Q. Schedule 2, page 1. Under “Availability”, it states that Hydro shall supply non-firm energy to  
2 customers at such times that Hydro has electricity available in excess of the amount it requires to  
3 meet the firm service requirements of its customers and Hydro may also interrupt or curtail the  
4 supply of non-firm energy at its sole discretion to deal with system constraints.

5 a) Does the definition of system constraints provided in NP-NLH-011 capture all of the  
6 reasons why Hydro would interrupt or curtail the supply of non-firm service?

7 b) Does Hydro have the discretion not to provide the supply of non-firm energy for reasons  
8 other than system constraints, for example, for economic reasons or until market prices  
9 increased? Please explain.

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12 A. a) It is Newfoundland and Labrador Hydro’s (“Hydro”) intention to use only these system  
13 constraints for the basis to interrupt or curtail the supply of non-firm service. Emergency  
14 situations could also cause supply disruptions.

15 b) While Hydro may have the discretion not to provide the supply of non-firm energy in those  
16 circumstances, it is Hydro’s intention to supply non-firm customers to the fullest extent that  
17 it can while maintaining a safe and reliable power system. Hydro does not intend to  
18 interrupt or curtail the supply of non-firm energy for economic reasons. With approval of  
19 the proposed floor price, Hydro would have no need to interrupt or curtail for economic  
20 reasons.