

1 Q. **Re: IN-NLH-251**

2 The response indicates that, “from 2007 to 2013, the communities of Wabush and
3 Labrador City experienced elevated levels of customer growth and energy sales”,
4 and that “Hydro expects domestic and general service load growth to moderate in
5 Labrador West until recovery in global iron ore markets renews interest in
6 expanding iron ore developments in this region.”

7 Does Hydro expect recovery in global iron ore markets to renew interest in
8 expanding iron ore developments in this region in this decade? If so, please present
9 the justification for this expectation.

10 Based on current load forecasts for Labrador West, would the 4.6 (*sic*) kV
11 distribution system have been adequate through 2020?

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14 A. Hydro monitors forecasts of global market prices for iron ore but is not able to
15 predict if global iron ore market conditions will improve to a point that will initiate
16 renewed interest in iron ore developments in Labrador West in this decade.

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18 The 4.16 kV distribution system that originally supplied the customers of Labrador
19 City was designed with the capability of supplying a peak load of 52 MW. As
20 indicated in Regulated Operations Schedule III, page 1 of 1 of Hydro's Amended
21 Application, the 52 MW capacity threshold has already been exceeded. The current
22 load forecast is not relevant as the existing customer loads in Labrador City already
23 exceed the original design capability of the 4.16 kV system.