

1 Q. Please confirm that Hydro's reliability criterion of 2.8 LOLH has been used for many
2 years, provide an estimate of the duration of that period, and confirm that the
3 forced outage rates used in Strategist have been modified from time-to-time as
4 Hydro believed such modifications were appropriate.

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7 A. Hydro's reliability criterion of 2.8 LOLH has been used since 1997. The basis of the
8 current 2.8 LOLH reliability criterion is a report, *Recommended Loss of Load*
9 *Probability (LOLP) Index for Establishing Generation Reserve Additions – System*
10 *Planning Department – Newfoundland and Labrador Hydro – May 16, 1977*. In that
11 report, an LOLP of 0.2 days per year, or one day in five years was recommended. In
12 1997, when Hydro replaced the SYPCO generation planning software with
13 ProScreen II (now renamed Strategist) generation planning software, it was
14 necessary to switch to an LOLH (Loss of Load Hours) criterion. Benchmarking
15 established that an LOLH of 2.8 hours per year was equivalent to an LOLP of 0.2
16 days per year, for Hydro's system.

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18 The forced outage rates used in Strategist have been modified from time-to-time,
19 as Hydro believed such modifications were appropriate. Please see Hydro's
20 response to PR-PUB-NLH-136 for details.