

1 Q. Please explain why you would not use all your generation capacity before
2 requesting power from Corner Brook Pulp and Paper.

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5 A. Under the Clause 2.04 of the proposed agreement it is stipulated that:

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7 *Hydro shall not request that a Capacity Assistance Period start*

8 *until all but one of Hydro's gas turbine generators which are*

9 *operable have been started and loaded.*

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11 Hydro will hold one standby unit in reserve and under its control after all other
12 generation supply, curtailable load and capacity assistance actions have been put in
13 place. This will allow Hydro to better manage the system and maintain adequate
14 generation reserves to minimize customer impact in the event of further increases
15 in customer demand or additional generation issues.