

1 **Q. On Page 10 of your Application you note there has been noted increased**
2 **requirement for your facilities and it “is expected to continue until the establishment**
3 **of the Labrador infeed”. This infeed is not expected for 3-4 years. What is the basis**
4 **for this conclusion?**

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6 A. On page 10 of Schedule A to the Application it states:

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8 *During December 2013 and January 2014, Newfoundland Power was required to*
9 *run its generation plants more frequently. This trend of increased operating*
10 *requests has been ongoing for the past 2 winter seasons and is expected to*
11 *continue until the establishment of the Labrador infeed.*
12

13 The basis for the conclusion that the trend of increased operating requests is expected to
14 continue until the establishment of the Labrador infeed can be found in the interim
15 reports filed by both Liberty Consulting and the Board in the *Investigation and Hearing*
16 *Into Supply Issues and Power Outages on the Island Interconnected System.*
17

18 At page 4 of its interim report Liberty states that:

19
20 *We found that there exists a continuing and unacceptably high risk of supply-*
21 *related emergencies until Muskrat Falls and the Labrador-Island Link come into*
22 *service. That time will be the winter of 2017/2018, at the earliest.*
23

24 At page 30 of its interim report the Board states that:

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26 *In light of the events of December 2013 and January 2014 and the concerns*
27 *identified in relation to load forecasting and generation planning it is critical for*
28 *the immediate term and up to the Muskrat Falls interconnection that Hydro*
29 *ensure that the Island Interconnected system has suitable reserve capacity*
30 *available.*