

1 Q. **Volume III, Tab 11 – Additions for Load Growth – Isolated Generating Stations,**
2 **L'Anse-au-Loup and Postville Diesel Plant**

3 Has Hydro considered approaching Hydro Quebec to address its forecasted
4 shortfall? If so, what are the costs of same? If not, why not?

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7 A. The capacity addition is required to meet customer peak demand when either the
8 Hydro Quebec Lac Robertson hydroelectric generation capacity or the line
9 interconnecting the Hydro Quebec system and the L'Anse-au-Loup is not available.
10 Hydro understands from previous discussions with Hydro Quebec and its
11 knowledge of the Hydro Quebec system, that Hydro Quebec would likely have to
12 add diesel generation capacity to cover off its customer's load and Hydro's
13 incremental customer load in the event of a problem with the Lac Robertson
14 hydroelectric generation capacity in Quebec. Furthermore, if Hydro Quebec added
15 additional diesel capacity in its system to meet Hydro's growing customer demand
16 requirements, customers in L'Anse-au-Loup would continue to be exposed to
17 extended outages due to problems with the interconnecting transmission line. In
18 addition to adding diesel generation, in order to address this exposure, Hydro
19 Quebec and Hydro would have to upgrade the transmission interconnection to be
20 less subject to interruptions. Therefore Hydro did not approach Hydro Quebec as
21 the combined cost of additional generation and line upgrades would exceed the
22 simple addition of capacity at the L'Anse-au-Loup plant.