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1 Q. Prior to 2014 did Hydro use a target reserve margin in its long-term generation
2 planning? If yes, what was it? If no, why not?

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5 A. Prior to 2014, Hydro did not use a target reserve margin in its long-term generation
6 planning. Instead of a target reserve margin, Hydro used a Loss of Load Hours
7 (LOLH) expectation target of not more than 2.8 hours per year. LOLH is a statistical
8 assessment of the risk that the System will not be capable of serving the System's
9 firm load for all hours of the year. For Hydro, an LOLH expectation target of not
10 more than 2.8 hours per year represents the inability to serve all firm load for no
11 more than 2.8 hours in a given year.