

- 1 **Q. In reply to PUB-NP-001 (at page 293, line 27 ff) in the NP 2014 CBA Supplemental:**
2 **Thermal Generator Refurbishment, NP states: “So, the addition if Hydro’s 100MW**
3 **combustion turbine will not, in Newfoundland Power’s view, fully address the**
4 **increased near term vulnerabilities of the Island Interconnected System which were**
5 **revealed by the events of the winter of 2013-2014.” In NP’s assessment, what will be**
6 **required in order to fully address the near term vulnerabilities and please provide**
7 **NP’s assessment as to the progress that has been made to date in meeting these**
8 **requirements.**
9
- 10 A. Key near-term vulnerabilities of the Island Interconnected System which were revealed
11 by the events of the winter of 2013/2014 include (i) a shortage of available generating
12 capacity, (ii) misoperation of critical high voltage electrical system equipment.
13
- 14 Newfoundland Power broadly accepts the assessment of the Liberty Consulting Group
15 regarding these vulnerabilities including the existence of “...a continuing and
16 unacceptably high risk of outages from such causes...” through the 2015-2017 winter
17 season.¹ Improved available generating capacity and improved critical high voltage
18 electrical system operation are required to fully address the near-term vulnerabilities.
19
- 20 Hydro has indicated plans to improve available generating capacity and increase
21 maintenance of critical high voltage electrical system equipment. These plans, if
22 successfully executed by Hydro, should reduce the risk presented by the increased near-
23 term vulnerabilities of the Island Interconnected System. Newfoundland Power is
24 currently uncertain that this work alone will fully address the vulnerabilities revealed by
25 the events of the winter of 2013/2014.

¹ The Liberty Consulting Group Interim Report, April 24th, 2014, page ES-1.