Page 1 of 1

At pages 101-102, Liberty notes that Hydro faces new standards and **Q**: requirements for NERC compliance, that the ML is presently on schedule for energization in late 2017 and that the reliability framework, NERC / NPCC compliance, and the legislation required for it should be a priority. Please comment on whether Hydro will be required to meet NERC compliance standards prior to any reliance on ML, whether this requirement will need to be met prior to ML coming into service, and whether this requirement exists independent of any requirements of the provincial government.

A. Hydro has indicated that it will be "NERC compliant" in required areas before the Maritime Link begins operation. Hydro and NSPI have entered into an "Interconnection Operators Agreement" that commits to the application of Nova Scotia reliability standards in the operation of the Maritime Link, including NERC/NPCC standards applied to the Maritime Link operation and the Energy Control Center. This commitment was documented in Hydro's response to CA-NLH-142. Accordingly, it is Liberty's understanding that the requirement for NERC/NPCC compliance will not be a restraint to energization of the Maritime Link.

Regarding "any requirements of the provincial government", no such requirements exist at the present time. The provincial government will be responsible to establish the reliability framework, and that may include a broader commitment to NERC/NPCC compliance. The extent of that commitment is not known at this time.