

1 Q. Further to the response to PUB-NLH-008, has the criteria for generation source
2 additions been exceeded in any year since 2002? If yes, provide details.

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5 A. As a general rule to guide Hydro's planning activities the following have been
6 adopted:

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8 **Capacity:** The Island Interconnected System should have sufficient generating
9 capacity to satisfy a Loss of Load Hours (LOLH) expectation target of not
10 more than 2.8 hours per year¹.

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12 **Energy:** The Island Interconnected System should have sufficient generating
13 capability to supply all of its firm energy requirements with firm system
14 capability².

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16 The criteria for generation source additions were exceeded in 2002. The LOLH was
17 approximately four and the firm energy capability was exceeded by approximately
18 30 GWh. There were no customer outages resulting from this exceedence. During
19 2002, a number of new generation sources were being constructed to address this
20 exceedence, with in-service dates of 2003. These included Hydro's 40 MW Granite
21 Canal hydroelectric facility, Corner Brook Pulp and Paper's 15 MW thermal co-
22 generation facility (a non-utility generator), and an increase of 32.1 MW from

¹ LOLH is a statistical assessment of the risk that the System will not be capable of serving the System's firm load for all hours of the year. For Hydro, an LOLH expectation target of not more than 2.8 hours per year represents the inability to serve all firm load for no more than 2.8 hours in a given year.

² Firm capability for the hydroelectric resources is the firm energy capability of those resources under the most adverse three-year sequence of reservoir inflows occurring within the historical record. Firm capability for the thermal resources (HTGS) is based on energy capability adjusted for maintenance and forced outages.

Island Interconnected System Supply Issues and Power Outages

1 Abitibi Consolidated's Exploits facilities, also purchased by Hydro under a non-utility
2 generator contract.

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4 Since 2002, the criteria for generation source additions have not been exceeded.