

1 Q. Please describe in detail Hydro's obligations to Emera, Nova Scotia and any others
2 via the Maritime Link under various operating conditions, such as normal operation,
3 supply shortages in Newfoundland and full or partial loss of the Labrador Island Link
4 project.

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7 A. Hydro has no direct obligations to Emera; however, the Power Purchase Agreement
8 between Hydro and Muskrat Falls recognizes Nalcor's obligations to supply the NS
9 block. Hydro has an Interconnection Operator Agreement (IOA) with Nova Scotia
10 Power Inc. detailing the operation of the Maritime Link and the framework for the
11 supply of emergency assistance between the two utilities.

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13 The Energy and Capacity Agreement (ECA) between Nalcor and Emera (provided in
14 Hydro's response to PUB-NLH-220) details Nalcor's obligations to Emera regarding
15 the supply of the NS block. To summarize the agreement, the Nova Scotia block will
16 be provided solely from Muskrat Falls. In the event of a supply shortage at Muskrat
17 Falls the available supply from Muskrat will be allocated between Hydro and the NS
18 block on a pro rata basis of the scheduled deliveries. In the event of a partial loss of
19 the Labrador-Island Link, following stabilization of the system, deliveries from
20 Labrador will be allocated between Hydro and the NS block on a similar pro rata
21 basis. In the event of a full loss of the Labrador-Island Link, all deliveries on the
22 Maritime Link will be curtailed.

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24 Nalcor and Emera have also entered into an Energy Access Agreement (EAA)
25 (provided in Hydro's response to PUB-NLH-220) for the delivery of surplus non-firm
26 energy from Newfoundland and Labrador to Nova Scotia. However, as this

Island Interconnected System Supply Issues and Power Outages

- 1 agreement involves surplus non-firm supply, it will not impact supply to Island
- 2 customers.