



GRAND RIVERKEEPER® LABRADOR INC.

Box 569, Station B  
Happy Valley-Goose Bay, Labrador  
NL, A0P 1E0  
Telephone: 709-896-4164

April 23, 2014

Newfoundland and Labrador Board of Commissioners of Public Utilities  
P.O. Box 21040  
St. John's NL  
Canada A1A 5B2

**RE: AN ORDER OF THE BOARD NO. P.U. 3(2014)**

An Investigation and Hearing into supply issues and power outages on the Island Interconnected system and the matter of the *Electrical Power Control Act*, 1994, Chapter E-5.1 (the "EPCA") and the *Public Utilities Act*, RNSL 1990, Chapter P-47 (the "Act") as amended:

**Response to correspondence received by the Board from Newfoundland Power and Newfoundland and Labrador Hydro and their position on the application of Grand Riverkeeper Labrador, Inc. for intervener status in the above referenced matter:**

Attention Ms. Cheryl Blundon (for the Board)

Dear Ms. Blundon:

Grand Riverkeeper Labrador, Inc. wishes to comment on correspondence posted on the Board's website from the two above referenced entities, NLH and NP respectively.

Newfoundland Power states in their correspondence; **"For example, evidence concerning contractual uncertainties related to water management at Muskrat Falls will not meaningfully inform the consideration of Island Interconnected System reliability following the interconnection."** (Emphasis added)

Newfoundland and Labrador Hydro states in their correspondence; **"However, GRK's Application to Intervene raises issues that are outside the scope of those listed in the Board's Procedural Order (Order No. P.U. 3(2014) and an examination of those issues will lead the Board and the parties astray from the true objects of the Inquiry."** (Emphasis added)

We also refer to Procedural Order NO. P.U. 3(2014) on page 3, from line 19 to line 28;

**“Whereas** the Board is satisfied that, to effectively assess adequacy and reliability of the Island Interconnected System, it is necessary to consider planned future changes to the system; and **Whereas** the Board has considered the lists of issues, submissions, written comments and presentations and has determined that it is appropriate and necessary to address how Hydro and Newfoundland Power will ensure adequacy and reliability on the Island Interconnected system over the short, medium and **long term, (emphasis added)** which will require analysis of the adequacy and reliability of the system after the commissioning of the Muskrat Falls generating facility and the Labrador Island Link;”

It is the view of Grand Riverkeeper Labrador, Inc., that the decommissioning of Holyrood, which is an essential element of the Interconnected option put forward by Nalcor in the earlier Muskrat Falls proceeding, would make Island reliability entirely dependent on the availability of power from Muskrat Falls. Under that scenario, any unforeseen events that prevented Nalcor from transmitting the required amounts of power to the Island, whether physical or contractual, would have a profound effect on the ability of NLH to meet Island loads, and hence on adequacy and reliability.

For these reasons, GRK considers these issues to be directly relevant to the issues being addressed by the Board. Our request will in no way complicate the Board’s consideration of post-Muskrat Falls reliability on the Island of Newfoundland but will in fact assist the Board in its deliberations.

NP in its comments suggests that GRK’s intent is to engage the merits of the decision to construct the Muskrat Falls Project, or the design of the Project. With respect, NP has misinterpreted our submission. GRK’s intent is not to re-examine or impugn the WMA nor to address issues related to the construction of the dam, but rather to ensure that the Board’s review of the adequacy and reliability of the system after the commissioning of the Muskrat Falls generating facility and the Labrador Island Link takes into account the various risks that could entail the unavailability of some or all of the planned energy and capacity from Muskrat Falls over the short, medium or long term. As noted in our submission, these do include risks related to Hydro-Québec’s litigation, which could affect the viability of the WMA, as well as risks related to unplanned outages.

Thus, the issues to be raised by GRK fall squarely within the scope established by the Board for the Inquiry, and are in no way extraneous thereto.

We respectfully ask again that the Board consider our original request for late intervention in this process.

Sincerely,

Roberta Frampton Benefiel, Vice President

Grand Riverkeeper Labrador, Inc.