HAND DELIVERED

December 19, 2016

Board of Commissioners
of Public Utilities
P.O. Box 21040
120 Torbay Road
St. John's, NL A1A 5B2

Attention: G. Cheryl Blundon
Director of Corporate Services
and Board Secretary

Ladies and Gentlemen:

Re: The Board's Investigation and Hearing into Supply Issues and Power Outages on the Island Interconnected System - Phase Two – Requests for Information NP-NLH-155 to NP-NLH-166

Please find enclosed the original and 12 copies of Newfoundland Power's Requests for Information NP-NLH-155 to NP-NLH-166.

A copy of this letter, together with enclosures, has been forwarded directly to the parties listed below.

If you have any questions regarding the enclosed, please contact the undersigned at your convenience.

Yours very truly,

Gerard Hayes
Senior Counsel

Enclosures

c. Geoffrey Young
Newfoundland and Labrador Hydro

Paul Coxworthy
Stewart McKelvey

Danny Dumaresque

Dennis Browne, QC
Browne Fitzgerald Morgan & Avis

Roberta Frampton Benefiel
Grand Riverkeeper Labrador, Inc.

Newfoundland Power Inc.
55 Kenmount Road • P.O. Box 8910 • St. John's, NL A1B 3P6
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IN THE MATTER OF
the *Electrical Power Control Act, 1994*,
SNL 1994, Chapter E-5.1 (the *"EPCA"*)
and the *Public Utilities Act*, RSNL 1990,
Chapter P-47 (the *"Act"*), as amended; and

IN THE MATTER OF the Board's Investigation
and Hearing into Supply Issues and Power Outages
on the Island Interconnected System.

Requests for Information by
Newfoundland Power Inc.

NP-NLH-155 to NP-NLH-166

December 19, 2016

Requests for Information

NP-NLH-155 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment*

On Page ES-2 of the Liberty Consulting Group *Review of Newfoundland and Labrador Hydro Power Supply Adequacy and Reliability Prior to and Post Muskrat Falls – Final Report*, it states:

"Hydro's recent assessment of supply adequacy until the interconnection indicates reliability violations which Hydro proposes to mitigate but not eliminate. Liberty believes the supply risks are greater than suggested by Hydro's assessment and that new generation is likely required prior to interconnection."

Please identify any changes in methodology or approach undertaken in Hydro's *Energy Supply Risk Assessment* dated November 30, 2016 to address Liberty's stated belief that the supply risks are greater than suggested in the *Energy Supply Risk Assessment* dated May 27, 2016.

NP-NLH-156 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment*

On Page ES-2 of the Liberty Consulting Group *Review of Newfoundland and Labrador Hydro Power Supply Adequacy and Reliability Prior to and Post Muskrat Falls – Final Report*, it states:

"Liberty expects that new supply will be needed before Muskrat Falls is in service, to mitigate near-term supply issues, and after Muskrat Falls is in service, to mitigate the impact of extended outages of the Labrador Island Link (LIL). The additional supply can be sourced through firm purchases, if available, over the Maritime Link or additional new generation on the IIS."

Please explain the extent to which Hydro is considering availability of import power over the Maritime Link in its assessment of near-term supply reliability risk?

NP-NLH-157 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment*

On Page ES-2 of the Liberty Consulting Group *Review of Newfoundland and Labrador Hydro Power Supply Adequacy and Reliability Prior to and Post Muskrat Falls – Final Report*, it states:

"Liberty expects that new supply will be needed before Muskrat Falls is in service, to mitigate near-term supply issues, and after Muskrat Falls is in service, to mitigate the impact of extended outages of the Labrador Island Link (LIL). The additional supply can be sourced through firm purchases, if available, over the Maritime Link or additional new generation on the IIS."

Please provide Hydro's current views on the need for new supply to mitigate the impact of extended outages on the Labrador Island Link after Muskrat Falls is in service.

NP-NLH-158 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment*

On Page 12 of the Liberty Consulting Group *Review of Newfoundland and Labrador Hydro Power Supply Adequacy and Reliability Prior to and Post Muskrat Falls – Final Report*, it states:

"Hydro informs that it could import 110 MW of firm recall power from Labrador and 300 MW from Nova Scotia. This would likely solve the pre-Muskrat Falls supply issue, but we note that neither the technical feasibility of the LIL/recall power solution nor the availability of Nova Scotia capacity have been validated at this time."

Please provide a detailed update on the status of the Labrador Island Link. In the response, please address (i) construction schedules, (ii) contractual arrangements, and (iii) the earliest date that import power will be available on the Island Interconnected System.

NP-NLH-159 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment*

On Page 85 of the Liberty Consulting Group *Review of Newfoundland and Labrador Hydro Power Supply Adequacy and Reliability Prior to and Post Muskrat Falls – Final Report*, it states:

"It is hoped that Nova Scotia can provide some or all of this needed supply over the Maritime Link, but this does not appear to be a certainty at this time and no information is available to determine if it would be economic. If Hydro is unable to confirm a dependable, economic supply via the Maritime Link, the time to start development of new generation appears to be now."

Please provide a detailed explanation of Hydro's views on the appropriateness of starting the development of new generation on the Island Interconnected System in advance of the Muskrat Falls project.

NP-NLH-160 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment*

On Page 85 of the Liberty Consulting Group *Review of Newfoundland and Labrador Hydro Power Supply Adequacy and Reliability Prior to and Post Muskrat Falls – Final Report*, it states:

"It is hoped that Nova Scotia can provide some or all of this needed supply over the Maritime Link, but this does not appear to be a certainty at this time and no information is available to determine if it would be economic. If Hydro is unable to confirm a dependable, economic supply via the Maritime Link, the time to start development of new generation appears to be now."

Has Hydro finalized any agreements for 300 MW of firm capacity over the Maritime Link? If so, please provide the terms of the agreements. If not, please provide a timeline on when such agreements can be expected.

NP-NLH-161 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment.*

On Page 85 of the Liberty Consulting Group *Review of Newfoundland and Labrador Hydro Power Supply Adequacy and Reliability Prior to and Post Muskrat Falls – Final Report,* it states:

"It is hoped that Nova Scotia can provide some or all of this needed supply over the Maritime Link, but this does not appear to be a certainty at this time and no information is available to determine if it would be economic. If Hydro is unable to confirm a dependable, economic supply via the Maritime Link, the time to start development of new generation appears to be now."

Has Hydro determined whether 300 MW of firm capacity will be available for import over the Maritime Link? If so, please explain when this firm capacity will be available.

NP-NLH-162 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment.*

On Page 9 of the Liberty Consulting Group *Review of Newfoundland and Labrador Hydro Power Supply Adequacy and Reliability Prior to and Post Muskrat Falls – Final Report,* it states:

"The failure of both units during each of the last three winters gives a strong basis for concern that the chances this capacity will be there when needed are not good. Any capacity assessment that assumes a good chance of both units starting when needed must be considered questionable in our opinion."

Has Hydro conducted a risk assessment that assumes the Hardwoods and Stephenville gas turbines are unavailable? If so, please provide the results of the assessment. If not, why not?

NP-NLH-163 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment*

On Page 9 of the Liberty Consulting Group *Review of Newfoundland and Labrador Hydro Power Supply Adequacy and Reliability Prior to and Post Muskrat Falls – Final Report,* it states:

"The failure of both units during each of the last three winters gives a strong basis for concern that the chances this capacity will be there when needed are not good. Any capacity assessment that assumes a good chance of both units starting when needed must be considered questionable in our opinion."

Please provide an update on the current status of the Hardwoods and Stephenville gas turbines. In the response please indicate the availability of these gas turbines, at full capacity, thus far in the 2016/2017 winter season.

NP-NLH-164 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment*

On Page 1 of Hydro's *Gas Turbine Failure Analysis – Preliminary Report*, dated December 6, 2016, it states:

"This report contains Hydro's preliminary findings to date and are subject to change pending completion of the root cause analysis. Hydro's report containing the conclusions of the root cause analysis will be submitted by January 11, 2017."

Please explain the extent to which the failure analysis of the Hardwoods and Stephenville gas turbines may affect the conclusions reached in Hydro's November 30, 2016 *Energy Supply Risk Assessment.*

NP-NLH-165 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment*

On Page 2 of Hydro's *TL267 Monthly Status Update Report*, dated December 15, 2016, it states:

"These activities will continue to be monitored very closely as continued slippage on these items could impact the energization date. The contractor is in the process of preparing a recovery plan to get back on schedule with these tasks."

Please explain the impact on Hydro's near-term *Energy Supply Risk Assessment* if transmission line TL267 is not available for the 2017/2018 winter season as currently planned.

NP-NLH-166 Reference: Hydro's November 30, 2016 *Energy Supply Risk Assessment*, Appendix A, Page 2 of 5, Table 3.

Please complete the following table taking into account the full impact of the forced outages that resulted from the boiler tube issues in 2016:

Holyrood DAFOR					
Holyrood	**2012**	**2013**	**2014**	**2015**	**2016**
Unit 1					
Unit 2					
Unit 3					
Total Plant					

RESPECTFULLY SUBMITTED at St. John's, Newfoundland and Labrador, this 19th day of December, 2016.

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