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Q: In reference to the Liberty Report, please provide a formal definition of Hyrdo's Expected Unserved Energy (EUE) and indicate the extent to which that metric is used by other electric utilities.

A. Expected Unserved Energy (EUE) is an accepted industry measure of reliability. It measures the effects of supply-related outages in terms of the load not served because of those outages. The unit of measure is MWh per year. An associated metric, normalized EUE, is also in use. That measure simply expresses the EUE as a fraction of the total system annual load.

 It is Liberty's understanding that EUE is in wide use, especially since many believe it is a better measure for modern systems with a great deal of variable generation (wind, solar, etc.). On that basis, NERC's Generation & Transmission Reliability Planning Models Task Force recommended in 2010 that EUE, together with loss of load hours (LOLH), be primary measures of supply reliability¹.

Hydro's use of EUE (300 MWh per year) and LOLH (2.8 hours per year) is fully consistent with the Task Force recommendations and general industry use.

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¹ G&T RPM Task Force Final Report on Methodology and Metrics Prepared by the Generation & Transmission Reliability Planning Models Task Force for the NERC Planning Committee, presented to the Planning Committee (PC) on September 15, 2010, including Planning Committee Approvals and Revisions from the September 15, 2010 and December 8, 2010 PC Meetings