

1 **Q: Re: Review of Newfoundland and Labrador Hydro Power Supply Adequacy**  
2 **and Reliability Prior to and Post Muskrat Falls (“the Liberty Report #2”), p. 85.**

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4 **Citation:**

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6 **The key to avoidance of extended outages when the LIL is lost is the**  
7 **availability of adequate backup supply to the IIS. This supply can take the**  
8 **form of new on-island generation and/or imports via the Maritime Link. In**  
9 **this regard, the Maritime Link becomes all-important. Hydro is relying on**  
10 **the Maritime Link to provide 300 MW when necessary. Needless to say, this**  
11 **is a very large reserve, especially considering that Hydro’s current reserve**  
12 **requirement on the IIS is 240 MW. Liberty does not believe, however, that**  
13 **the credibility or practicality of this source of capacity has been**  
14 **demonstrated. Until the Maritime Link source is validated, or new CTs**  
15 **provided, the threat of extended outages will be present.**

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17 **One must recall, however, that when the Maritime Link was added to the**  
18 **project, it was intended as a supply to Nova Scotia and beyond, not from**  
19 **Nova Scotia. During normal operations, several hundred MW may flow to**  
20 **Nova Scotia. With a bipole trip of the LIL, that flow will be interrupted, and**  
21 **Nova Scotia’s operators must call on their reserves to cover that loss of**  
22 **supply from the Maritime Link. The Hydro analyses assume that Nova**  
23 **Scotia will be able to provide those reserves to satisfy Nova Scotia’s own**  
24 **needs and, at the same time, provide several hundred MW for the IIS.193**  
25 **This result requires perhaps 300-600 MW of available firm, dependable**  
26 **capacity on the Nova Scotia side. Whether that level is practical remains to**  
27 **be seen as Hydro negotiates with Nova Scotia to determine what it would**  
28 **take for Nova Scotia to make such a commitment. Such a large amount of**  
29 **backup will come at a cost, which has to be balanced against the risk of an**  
30 **LIL trip, as well as the competing cost of new CTs.**

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32 **Was Liberty provided with any data concerning the supply-demand balance in**  
33 **Nova Scotia in the 2020s, and the likelihood of there being 600 MW of available,**  
34 **firm dependable capacity on the Nova Scotia side?**

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36 **Was Liberty provided with any information concerning the possibility of**  
37 **sourcing such reserves beyond Nova Scotia, whether in New Brunswick, Quebec**  
38 **or New England?**

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40 **Did Liberty seek or obtain any information concerning the potential cost of such**  
41 **a reserve?**

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44 **A. Liberty is aware of the near-term supply-demand balance in Nova Scotia as a result**  
45 **of our work there, but we have no information on the likelihood of 600 MW of firm**  
46 **dependable capacity for the benefit of Newfoundland in the 2020s. Similarly, we**  
47 **have no information on the availability of supply from elsewhere, although we are**  
48 **aware of discussions between Hydro and New Brunswick. We have no information**  
49 **on the potential costs of any potential supply for Newfoundland.**