

- 1 **Q: At page 10 of the report, Liberty notes that Holyrood generation will now be**
2 **required beyond 2020 until at least 2022, assuming that Hydro maintains its**
3 **plan to overlap Muskrat Falls and Holyrood for several years. In light of**
4 **Liberty's assessment of the risk, and based on Liberty's experience and current**
5 **information on the IIS, please comment on whether it is still reasonable for**
6 **Hydro to maintain its plan to overlap Muskrat Falls and Holyrood for several**
7 **years? In Liberty's view, what options, if any, might Hydro reasonably consider**
8 **in this regard?**
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- 11 A. It is Liberty's understanding that Hydro considered retaining Holyrood as an
12 insurance policy. It would not be prudent to immediately eliminate such a large
13 source of power when the replacement source is in its earliest operations. As for
14 timing, we understand that the initially planned "several years" was not definitive
15 and the final retirement date of Holyrood would vary as a function of the successful
16 demonstration of its replacement's reliability. It is hoped that the Muskrat Falls and
17 Labrador Island Link will be proven to be highly dependable within their early years
18 of operation, allowing an expedited retirement of Holyrood. Accordingly, Liberty
19 believes that it is reasonable for Hydro to maintain its plan to overlap Muskrat Falls
20 and Holyrood for several years.