



NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES
120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

E-mail: gyoung@nlh.nl.ca

2018-04-19

Mr. Geoff Young
Senior Counsel
Newfoundland and Labrador Hydro
P.O. Box 12400
Hydro Place, Columbus Drive
St. John's, NL A1B 4K7

Dear Mr. Young:

Re: Newfoundland and Labrador Hydro - 2018 Capital Budget Application - Muskrat Falls to Happy Valley Interconnection - Hydro's Proposed Plan in Relation to the Provision of Reliable Service in Labrador East 2018-2019 filed in Compliance with Order No. P.U. 9(2018)

This is in reference to Hydro's correspondence of April 16, 2018 filed pursuant to Order No. P.U. 9(2018) relating to Hydro's application for approval of the Muskrat Falls to Happy Valley-Goose Bay Interconnection project.


In Order No. P.U. 9(2018) the Board did not approve the proposed project and directed that Hydro file a proposed plan in relation to the provision of reliable service in Labrador East in 2018/2019. Hydro's correspondence addressed the existing Labrador Interconnected system risks, infrastructure reliability, and location conditions. This correspondence set out some options for addressing these issues but did not provide a proposed plan in compliance with the Board's order. In particular it did not set out clear timelines for the required decisions and actions and did not provide an explanation in relation to how the proposed plan would address the pressing issues and serious concerns in Labrador East.

Clearly the issues associated with the provision of reliable service in Labrador East in 2018/2019 are significant and, in light of the short season for the completion of work in the region, the next few weeks will be critical. As such the Board requires that Hydro file its plan for the provision of reliable service in Labrador East in 2018/2019, by 3 p.m. Tuesday, April 24, 2018. This plan should explain how Hydro proposes to address the identified issues and should include a timeline for the required decisions and actions and for any associated regulatory approvals. In particular the plan should set out the potential impacts of opportunities related to load curtailment and supplemental customer owned generation and whether any agreements have been reached with customers. The plan should include an update on the status of all of Hydro's activities to date related to this matter.

Following receipt of Hydro's plan the Board will make a determination as to the process which may be established in relation to this matter.

If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,



Cheryl Blundon
Board Secretary

CB/cj
Enclosure

ecc **Newfoundland & Labrador Hydro**
Mr. Michael S. Ladha, E-mail: MichaelLadha@nlh.nl.ca
NLH Regulatory, E-mail: NLHRegulatory@nlh.nl.ca
Newfoundland Power Inc.
Mr. Gerard Hayes, E-mail: ghayes@newfoundlandpower.com
NP Regulatory, E-mail: regulatory@newfoundlandpower.com
Consumer Advocate
Mr. Dennis Browne, Q.C., E-mail: dbrowne@bfma-law.com
Mr. Stephen Fitzgerald, E-mail: sfitzgerald@bfma-law.com
Ms. Sarah Fitzgerald, E-mail: sarahfitzgerald@bfma-law.com
Ms. Bernice Bailey, E-mail: bbailey@bfma-law.com
Industrial Customer Group
Mr. Paul Coxworthy, E-mail: pcoxworthy@stewartmckelvey.com
Mr. Dean Porter, E-mail: dporter@poolealthouse.ca
Mr. Denis Fleming, E-mail: dfleming@coxandpalmer.com
Iron Ore Company of Canada
Mr. Van Alexopoulos, E-mail: Van.Alexopoulos@ironore.ca
Mr. Benoit Pepin, E-mail: benoit.pepin@riotinto.com
Labrador Interconnected Group
Mr. Senwung Luk, E-mail: sluk@oktlaw.com