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October 2, 2020

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

Attention: Ms. Cheryl Blundon
Director of Corporate Services & Board Secretary

Dear Ms. Blundon:

Re: Reliability and Resource Adequacy Study Review – Further Information and Filing Schedule

On September 18, 2020, the Board of Commissioners of Public Utilities ("Board") requested that Newfoundland and Labrador Hydro ("Hydro") provide "a comprehensive list of all studies, reports and analyses, listing the scope or purpose each study is intended to address and the expected completion date of each" in relation to the ongoing Reliability and Resource Adequacy Study Review. Hydro's update on this request follows.

As outlined in Hydro's correspondence of March 17, 2020, in addition to the annual updates of the Reliability and Resource Adequacy Study, there were four core filings outlined for submission to the Board in 2020. As of September 30, 2020, three of these filings have been completed and submitted to the Board, as follows:

- *Labrador-Island Link Overhead Transmission Line Emergency Response Plan Winter 2020-2021* (filed on May 15, 2020);
- *Assessment of As-Designed Structural Capacity of the Labrador-Island Link* (filed on April 30, 2020); and,
- *Assessment of Options to Improve Holyrood's Suitability as a Backup Facility* (filed on September 30, 2020).

Assessment of Labrador-Island Link Reliability Considering Climatological Loads

The fourth report, the *Assessment of Labrador-Island Link Reliability Considering Climatological Loads*, was scheduled for submission to the Board by November 15, 2020. This report is now expected to be filed with the Board by March 12, 2021. Hydro apologizes for this delay; however it is required to ensure all necessary work is completed and the conclusions of the assessment are fully informed. The outcomes of this assessment will play a critical role in Hydro's decisions with respect to future system investments, which may have material cost implications for customers.

The purpose of the *Assessment of Labrador-Island Link Reliability Considering Climatological Loads* is to assess the reliability of the Labrador-Island Link ("LIL") with respect to the probability of failure based on the integrity of the system components and considering climatological conditions. Hydro's consultant,

Haldar and Associates, has advised that its work cannot be completed as per the original schedule due to the time required to fully analyze all outcomes of the load cases that have been identified, as well as the incorporation of additional sensitivities related to inquiries that were identified through the Reliability and Resource Adequacy study request for information ("RFI") process. Hydro was not aware of any requirement for a schedule change when its RFI responses were submitted in August 2020. Since that time, it has become apparent that the necessary analysis cannot be completed in the original time frame. It is critical that adequate time be provided to arrive at a fully informed position with respect to the reliability of the LIL. If a comprehensive analysis is not completed, there is potential for the results to be skewed which may lead to incorrect or incomplete conclusions. The complexity of the work being undertaken, as well as the potential long-term implications on system reliability, necessitates that the required time be afforded to ensure a full, complete, and credible assessment.

Reliability and Resource Adequacy Study – 2020 Update

As the outcomes of the *Assessment of Labrador-Island Link Reliability Considering Climatological Loads* may be necessary to inform an update to Hydro's proposed planning considerations (Volume I of the Reliability and Resource Adequacy Study) and the supporting Long-Term Resource Plan (Volume III of the Reliability and Resource Adequacy Study), these volumes of the planned 2020 update are now anticipated to be filed on March 26, 2021.

Hydro expects to file its Near-term Reliability Report (Volume II of the Reliability and Resource Adequacy Study) by November 16, 2020.[1]

Other Filings

As outlined in Hydro's response to PUB-NLH-161,[2] other ongoing and future operational studies pertinent to the Reliability and Resource Adequacy Study are as follows:

- Power Systems CAD ("PSCAD") Analysis – PSCAD analysis, which includes commutation failures and dc line fault performance, is ongoing in support of the development of operating instructions. A final report is expected to be filed with the Board in the fourth quarter of 2020.

- Under-Frequency Load Shedding ("UFLS") Study – A study is being undertaken, in consultation with Newfoundland Power, to refine the load shedding scheme specified in the Stage 4A Operational Study. The study will involve the optimization of load shedding blocks and will include a review of system restoration. This study is expected to be filed with the Board in the first quarter of 2021.

- Critical-Clearing Time Study – A critical-clearing time study is being undertaken to review the 66 kV and 138 kV system protection settings in consideration of transient planning criteria. This study is expected to be filed with the Board in the first quarter of 2021.

[1] The standing filing date for this report of November 15 falls on a Sunday in 2020.
[2] Reliability and Resource Adequacy Study, Requests for Information, August 13, 2020.

Summary of Filing Schedule

Filing	Filing Date
Near-term Reliability Report (Reliability and Resource Adequacy Study, Volume II)	November 16, 2020
PSCAD Analysis	Q4 2020
Assessment of Labrador-Island Link Reliability Considering Climatological Loads	March 12, 2021
Reliability and Resource Adequacy Study Update (Volumes I and III)	March 26, 2021
UFLS Study	Q1 2021
Critical-Clearing Time Study	Q1 2021

Should you have any questions with respect to the information contained herein, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

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SAW/kd

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