

1 Q. Will Hydro be compelled to move to the LOLE  $\leq 0.1$ ? If not, then why is it planning to do so?  
2 Would a less severe criterion be appropriate for either the IIS or LIS and, if so, what would be  
3 the implications?

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6 A. As stated in the “Reliability and Resource Adequacy Study – 2022 Update,” Newfoundland and  
7 Labrador Hydro is committed to reassessing the following in the Reliability and Resource  
8 Adequacy Study – 2023 Update:

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- Adoption of a system reserve margin that satisfies LOLE<sup>[1]</sup>  $\leq 0.1$  for the Newfoundland and Labrador Interconnected System;
- Adoption of a system reserve margin that satisfies LOLE  $\leq 0.1$  for the Island Interconnected System;
- Planning for the Newfoundland and Labrador Interconnected System on a regional and sub-regional basis.<sup>2</sup>

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<sup>1</sup> LOLE: Loss of load expectation (“LOLE”) is the expected number of days each year where available generation capacity is insufficient to serve the daily peak demand.

<sup>2</sup> “Reliability and Resource Adequacy Study - 2022 Update,” Newfoundland and Labrador Hydro, October 3, 2022, vol. I, sec. 6.0, p. 33/17–22.