

1 Q. **Requests for information in relation to Hydro’s Monthly Energy Supply Report for the Island**
2 **Interconnected System for May 2020, filed with the Board on June 16, 2020 (the “May 2020**
3 **Monthly Energy Supply Report”).**

4 At page 2, lines 31-34 of the May 2020 Monthly Energy Supply Report, Hydro states as follows:

5 “Figure 1 plots the 2019 and 2020 storage levels, maximum operating level storage, and the 20-
6 year average aggregate storage for comparison. Hydro has established minimum storage limits
7 to April 30, 2021 in consideration of potential delays in the availability of the Labrador-Island
8 Link (“LIL”) to deliver energy to the Island Interconnected System. This will help ensure sufficient
9 storage to reliably serve customers should the LIL continue to be delayed beyond the fall of
10 2020.”

11 With reference to page 2, lines 33-34 of the May 2020 Monthly Energy Supply Report please
12 explain, in detail, what Hydro means by the criteria “should the LIL continue to be delayed
13 beyond the fall of 2020.” Does “delay” mean that a certain threshold of reliable transmission
14 over the LIL and to Island customers has not yet been achieved, and if so what is that threshold?

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17 A. In consideration of potential delays to the availability of the Labrador-Island Link (“LIL”) to
18 deliver energy to the Island Interconnected System beyond the fall of 2020, Newfoundland and
19 Labrador Hydro (“Hydro”) assumed the LIL will not be available until May 1, 2021 when
20 establishing the 2020 minimum storage limits. This is consistent with the direction received from
21 the Board of Commissioners of Public Utilities on March 5, 2020, which requested Hydro’s Near-
22 Term Reliability Report include analysis which reflected the LIL remaining unavailable until
23 June 1, 2021 and June 1, 2022.

24 Similar assumptions were used when establishing the 2019 revised minimum storage limits.¹

25 Consistent with Hydro’s commitment to economic dispatch, subsequent deliveries to the Island

¹ 2019 minimum storage limits were revised from August 31, 2019 to April 30, 2020 due to a change in the LIL assumptions following a project schedule update.

1 Interconnected System via the LIL were used to economically reduce the thermal generation
2 required. Hydro will continue to economically offset higher cost thermal generation to the
3 extent technically feasible through next winter using both the Maritime Link and the LIL, should
4 it become available prior to May 1, 2021. Following the spring freshet, Hydro's energy in storage
5 reached approximately 2,120 GWh and has remained above the established minimum storage
6 limit. As such, at this time costs have not been incurred to support the required minimum level
7 of storage to ensure winter 2020–2021 service reliability.