

1 Q. **Reference Avalon Capacity Study:**

2 The base case assumes a minimum operating reserve of 70 MW maintained on the Island
3 Interconnected system. Please explain how this relates to the operational reserve
4 requirement.

5

6

7 A. Under contingency operations such as the loss of Labrador-Island Link bipole, a minimum
8 operating reserve of 70 MW is deemed to be required to maintain acceptable frequency
9 regulation (i.e., minimum regulating reserve). Actual operating reserve requirements
10 (outside of contingency operations and with the Labrador-Island Link in service) are being
11 assessed as part of Newfoundland and Labrador Hydro's "Reliability and Resource
12 Adequacy Study."¹

¹ Filed with the Board of Commissioners of Public Utilities on November 16, 2018.