

1 Q. **Newfoundland and Labrador Hydro – Near-Term Reliability Report, May 15, 2020**

2 ***Measures of Load Loss***

3 Regarding the results shown in Table 6, page 17 of the Near-Term Reliability Report, May 15,
4 2020, on a calendar year basis, please provide Hydro’s views on the usefulness of presenting the
5 results on the basis of a 12-month period that keeps the months of November through April
6 together, given that one of the assumptions required to be employed would have the LIL in
7 service shortly thereafter.

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10 A. It is Newfoundland and Labrador Hydro’s (“Hydro”) view that North American reliability metrics,
11 including Loss of Load Expectation (“LOLE”), Loss of Load Hours (“LOLH”), and Expected
12 Unserved Energy (“EUE”), are generally defined and implemented in a utility on an annual basis
13 (e.g., the widely observed resource planning metric of an annual LOLE of 0.1 and Hydro’s
14 previously used system planning criteria of less than 2.8 LOLH annually). While these metrics
15 provide useful information to planners and stakeholders, a significant portion of the value
16 associated with the metrics comes from their ability to be used as consistent benchmarks to
17 compare internally between scenarios, systems, reports, and years and externally to the results
18 of other jurisdictions. Hydro believes that moving away from the calendar-year basis on which
19 reliability metrics are generally defined would increase the interpretation necessary to analyze
20 Hydro’s results and decrease the comparability of Hydro’s planning criteria, assumptions and
21 analysis, and reports to those of other jurisdictions. As such, it is Hydro’s view that future
22 reports should continue to present results on a calendar-year basis.

23 It is Hydro’s opinion that the monthly LOLH and EUE detail provided in its Near-Term Reliability
24 Assessments serves the purpose of informing stakeholders as to the degree of risk that exists in
25 each of the months of the peak period. For example, in reviewing the results of Hydro’s Near-
26 Term Reliability Report filed May 15, 2020, annual results are accurately presented in Table 6 for
27 comparison against the established annual planning criteria; it can also easily be observed that

- 1 the degree of risk present in December 2020 for all cases is generally aligned with the results
- 2 observed for the same cases in January, February, and March of 2021.