

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

2 ***Maritime Link Imports***

3 Please describe the reasons (focusing on both firmness and economy) why no firm power
4 purchase agreement with a duration of one month or longer over the Maritime Link was
5 secured in winter 2019-2020.

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8 A. The statement that no firm power purchase agreement with a duration of one month of longer
9 over the Maritime Link was secured in winter 2019–2020 is not correct. An agreement was
10 successfully established in March 2020 which enabled the offset of generation from the
11 Holyrood Thermal Generating Station (“Holyrood TGS”), the ability to place one unit at the
12 Holyrood TGS in hot standby, and the subsequent early shut of the first unit at Holyrood TGS.

13 Following conclusion of an agreement for the delivery of firm energy in November 2019, and
14 with the exception of the above-noted agreement for deliveries in March 2020, agreements
15 were not sought or established in other months as energy in storage was sufficient to reliably
16 meet customer requirements and was higher than established minimum storage limits, asset
17 performance was better than planned reliability metrics, and there was limited opportunity for
18 reduction of Holyrood TGS plant production to the degree that would warrant establishment of
19 a firm agreement for a month’s duration.

20 Newfoundland and Labrador Hydro was also successful in displacing energy that would have
21 otherwise been required to be produced at Holyrood TGS on an as required basis through
22 participation in the day-ahead and spot markets throughout winter 2019–2020 without
23 requiring firm purchase agreements for longer periods.