

1 Q. **Reference: Reliability and Resource Adequacy Study 2021 Update - Volume II: Near-Term**
2 **Reliability (2021 RRAS Update) page 23, lines 3-8.**

3 There is a significant risk of a shortage of generation availability if the LIL is not available in 2022
4 with the magnitude of the risk dependent on the availability of the Holyrood thermal generating
5 plant. Hydro says this risk can be mitigated with imports over the Maritime Link. Does Hydro
6 have contracts in place to source the required imports if necessary? If yes, provide the details of
7 the purchase arrangements. If no, explain the degree of reliance Hydro places on the availability
8 of imports to meet generation shortfalls in the absence of contractual entitlement to imports.

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11 A. Newfoundland and Labrador Hydro (“Hydro”) does not have contracts in place for imports for
12 the 2021–2022 winter operating season. As reflected in its most recent Near-Term Reliability
13 Report in May 2021, Hydro’s forecast system reliability satisfied its planning criteria and did not
14 require additional actions to be taken at that time. As such, in that assessment, Hydro did not
15 rely on imports to mitigate the potential system risk presented by the most onerous cases
16 considered, which assumed materially higher than anticipated unreliability of the Holyrood units
17 and full unavailability of the Labrador-Island Link. As an additional data point for consideration,
18 Hydro then presented information on the benefit that imports could provide in the event such
19 circumstances were to occur.

20 Hydro remains committed to monitoring its asset performance, including the performance of
21 the units at the Holyrood Thermal Generating Station once those units are returned to service
22 following the completion of annual maintenance outages, to determine if additional mitigation
23 activities should be undertaken given the associated costs for customers.

24 Hydro will provide an update on its forecast system reliability, including any mitigating activities
25 being undertaken, in its Near-Term Reliability Report, scheduled to be filed November 15, 2021.