

1 Q. **Reference: Reliability and Resource Adequacy Study 2022 Update, Volume I, page 9, lines 14-**
2 **15.**

3 Hydro states: "As discussed in the 2018 Filing, the existing criteria will continue to be applied
4 until full integration and reliable operation of the Muskrat Falls Project Assets."

5 Has Hydro ever had an external review of the applicability or inapplicability of the $LOLE \leq 0.1$
6 criterion to the existing system prior to integration of the LIL and Muskrat Falls? If so, provide
7 this review.

8 Given the length of time the system has operated under the existing criteria and how long it will
9 continue to do so, is Hydro of the opinion that it is at least informative to address gaps between
10 the two. If not, why not?

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13 A. Newfoundland and Labrador Hydro ("Hydro") has not conducted an external review of the
14 applicability or inapplicability of the $LOLE^1 \leq 0.1$ criteria to the existing system prior to the
15 integration of the Labrador-Island Link ("LIL") and the Muskrat Falls Hydroelectric Generating
16 Facility.

17 As stated in the "Reliability and Resource Adequacy Study – 2022 Update,"² Hydro is committed
18 to reassessing the following recommendations in the 2023 Update:

- 19
- 20 • Adoption of a system reserve margin that satisfies $LOLE \leq 0.1$ for the Newfoundland and
Labrador Interconnected System; and
 - 21 • Adoption of a system reserve margin that satisfies $LOLE \leq 0.1$ for the Island
22 Interconnected System.

¹ Loss of load expectation ("LOLE") is the expected number of days each year where available generation capacity is insufficient to serve the daily peak demand.

² "Reliability and Resource Adequacy Study – 2022 Update," Newfoundland and Labrador Hydro, October 3, 2022 vol I, p. 33/14–20.

- 1 Hydro recognizes that LIL reliability remains a key factor in the ability to economically achieve
- 2 proposed planning criteria.