

1 Q. **Reference: Reliability and Resource Adequacy Study 2022 Update, Volume III, page 25, lines**
2 **11-14.**

3 Describe what analyses of modifications or operating procedures to reduce costs of the
4 Holyrood Plant as a back-up supply source have been completed, and provide a copy of any
5 documentation of such discussion or study.

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8 A. As discussed in the “Reliability and Resource Adequacy Study – 2022 Update,”¹ during the early
9 operational stages of the Labrador-Island Link (“LIL”), the three units at the Holyrood Thermal
10 Generating Station (“Holyrood TGS”) will be base loaded to ensure the availability of capacity for
11 the power system. This will remain the case as Newfoundland and Labrador Hydro (“Hydro”)
12 continues to monitor LIL performance and reliability. Hydro has not yet investigated operational
13 strategies to optimize the dispatch of the units to manage startup challenges while minimizing
14 cost, as the Holyrood TGS is still required for base load purposes. To date, the LIL has not been
15 commissioned; therefore, Hydro considers it premature to deviate from base loading the
16 Holyrood TGS. However, when the LIL is available, Hydro has been scheduling firm LIL energy to
17 reduce thermal requirements off minimum, resulting in fuel cost savings.

¹ “Reliability and Resource Adequacy Study – 2022 Update,” Newfoundland and Labrador Hydro, October 3, 2022, vol. III, p. 25/6–10.