

1 Q. **Reference: Reliability and Resource Adequacy Study 2022 Update, Volume III, pages 38-40.**

2 Modeling the LIL as an energy-only line is discussed. Confirm or correct (and explain such
3 correction) the interpretation that, if a LIL bipole outage is regarded as a first contingency, then
4 whatever the capacity of the next larger contingency is, whenever more than that capacity is
5 scheduled over the LIL, the LIL is the largest contingency, and the full amount of scheduled
6 capacity needs to be backed up by operational reserves, up to 900 MW.

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9 A. Newfoundland and Labrador Hydro (“Hydro”) confirms that if a bipole outage of the Labrador-
10 Island Link (“LIL”) is regarded as a first contingency, what is stated in the question is mostly
11 correct. From an operational reserves perspective, Hydro would backup the capacity scheduled
12 over the LIL (less the delivery of the Nova Scotia Block), losses over the LIL, and any non-firm
13 exports over the Maritime Link that could be curtailed within a ten-minute window.

14 It is important to distinguish between operational reserve and planning reserve in this case. If
15 the LIL is treated as an energy-only line, it is implied that the LIL would not be used to supply
16 firm capacity to the Island Interconnected System to meet planning reserve requirements.
17 Because the Island Interconnected System would not be counting on LIL capacity for reliability
18 purposes, it would not be necessary, from a planning reserves point-of-view, to carry sufficient
19 capacity to backup the LIL.