

1 Q. **Reference: Application Volume 1, 2022 Capital Budget Application – Five-year Capital Plan**  
2 **(2022 – 2026)**

3 Has Hydro investigated the economics of integrating new wind energy facilities with its island  
4 plant as a means to increase water storage and thereby allow hydraulic resources to better  
5 meet winter peak demands should post Muskrat Falls capacity be insufficient?

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8 A. From an operational perspective, Newfoundland and Labrador Hydro (“Hydro”) develops  
9 minimum storage limits annually to provide guidance in the reliable operation of Hydro’s major  
10 reservoirs: Victoria, Meelpaeg, Long Pond, Cat Arm, and Hinds Lake. These limits ensure that  
11 Hydro’s hydraulic units can operate at their maximum capability throughout the winter season.  
12 In both the existing system and in the future system, following the integration of the Muskrat  
13 Falls Hydroelectric Generating Facility and retirement of the Holyrood Thermal Generating  
14 Station, Hydro is forecasting no violations of the proposed energy criteria. Given that there is no  
15 demonstrated need for incremental resources from an energy perspective, and that the  
16 minimum storage limits help to ensure that Hydro’s hydraulic plant can operate at its maximum  
17 capability from a capacity perspective, Hydro has not contemplated the addition of additional  
18 wind generation on the Island Interconnected System to support its hydraulic resources. Hydro  
19 notes that wind generation is considered as a resource option in its Reliability and Resource  
20 Adequacy Study.