Q. Please confirm this is the first time that Hydro will have a capacity assistance agreement that provides for available capacity usage in the summer months.

A.

This is not the first time that Newfoundland and Labrador Hydro ("Hydro") will have a capacity assistance agreement in place for the summer months. The previous agreement provided the ability for Hydro to make a request for capacity assistance outside the official winter period on a voluntary basis. In the fall of 2021, Hydro initiated capacity assistance arrangements with Corner Brook Pulp and Paper Limited ("CBPP") earlier than the November 1, 2021 start of the 2021–2022 winter period. Hydro determined it was prudent to have arrangements in place in order to reliably meet customer load and reserve requirements during this period due to forced outage extensions to a number of larger generating units from late September to late October 2021.

Additionally, during the wildfires that occurred in the summer of 2022, Hydro inquired if capacity assistance could be provided if needed by CBPP. Ultimately CBPP were willing to provide capacity assistance but the situation surrounding the wildfires improved and it was no longer required.

<sup>&</sup>lt;sup>1</sup> "Application of Newfoundland and Labrador Hydro for Approval of Revised Capacity Assistance Agreement with Corner Brook Pulp and Paper Limited," Newfoundland and Labrador Hydro, October 13, 2017, sch. A, p. 4, Clause 2.06. <a href="http://www.pub.nl.ca/applications/2017/NLH2017CapacityAssistance/applications/From%20NLH%20-%20Application%20for%20a%20Revised%20Capacity%20Assistance%20Agreement%20with%20Corner%20Brook%20Pulp%20and%20Paper%20-%202017-10-13.PDF>.