

1 Q. Please provide the rationale for requiring capacity assistance for summer usage.

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4 A. Newfoundland and Labrador Hydro (“Hydro”) conducts planned maintenance activities on both
5 generation and transmission assets from April to November, in preparation for the peak winter
6 season. Hydro is forecasting an increase in summer electricity demand in the province over the
7 next decade, as a result of new industrial demand and the electrification of the transportation
8 system. As Hydro’s summer loads increase, Hydro will require more generating assets in service
9 to meet demand during that period.

10 Hydro is also preparing for extended asset maintenance on Penstock 1 at the Bay d’Espoir
11 Hydroelectric Generating Facility in the near term.¹ Considering Hydro’s increasing load forecast,
12 the availability of an additional 50 MW of capacity assistance in the summer will provide Hydro
13 flexibility during the peak summer maintenance period. The additional capacity assistance can
14 also contribute to the ten-minute reserve requirements, as well as reduce the potential for
15 standby generation staffing, especially during the shoulder seasons.

¹ Approved as per *Public Utilities Act*, RSNL 1990, Board Order No. P.U. 6(2023), Board of Commissioners of Public Utilities, April 12, 2023.