

1 Q. **Reference: Application, Holyrood Thermal Generating Station Overview, page 3**

2 It is stated “The Holyrood TGS is necessary to meet both winter peak demand and annual energy
3 requirements until the Muskrat Falls Hydroelectric Generating Facility and the LIL are brought
4 online and proven reliable”.

5 a) What is Hydro’s best estimate of when these facilities will be proven reliable?

6 b) What was Hydro’s best estimate of when the LIL would be proven reliable when the hearing
7 on the Muskrat Falls Rate Mitigation Options and Impacts Review was conducted in the fall
8 of 2019?

9 c) What is Liberty’s current view of when the LIL will be proven reliable?

10 d) If Holyrood is required to operate in generation mode through the winter of 2023/24 or
11 beyond, how will this impact the economic evaluation of the proposed electrification
12 program?

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15 A. a) Newfoundland and Labrador Hydro (“Hydro”) is not able to estimate when these facilities
16 will be proven reliable until after the successful commissioning of the Labrador-Island Link
17 (“LIL”). Please refer to part e) of Hydro’s response to CA-NLH-010 of this proceeding.

18 b) As noted in the evidence filed by Nalcor Energy and Hydro in relation to the Rate Mitigation
19 Options and Impacts Review proceeding, the completion of the Muskrat Falls Project was
20 anticipated in 2020 with the reliable integration of the new assets to the existing electricity
21 grid projected to occur up to 2022–2023 and beyond.¹

¹ “Reference to the Board on Rate Mitigation Options and Impacts – Evidence of Nalcor Energy & Newfoundland and Labrador Hydro,” Nalcor Energy & Newfoundland and Labrador Hydro, September 20, 2019, p. 5.

1 **c)** For information regarding The Liberty Consulting Group’s (“Liberty”) major observations on
2 overall LIL progress, Liberty’s Sixteenth Quarterly Monitoring Report on the Integration of
3 Power Supply Facilities to the Island Interconnected System.²

4 **d)** Hydro notes that its 2023 Capital Budget Application does not include any proposals with
5 respect to electrification programming.

6 Hydro’s 2021–2025 Electrification, Conservation and Demand Management Plan (“2021
7 Plan”) is forecast to provide long-term rate mitigating benefits for customers and allow for
8 load management as the number of electric vehicles continues to grow in the province.

9 Should the Holyrood Thermal Generating Station be required as contemplated above, it
10 would most likely be used for capacity purposes; as such, the marginal cost of energy on the
11 Island Interconnected System would remain market-based; therefore, there would be no
12 impact on the economic evaluation of the 2021 Plan. As such, the 2021 Plan should not be
13 impacted by the in-service date of the LIL.

² “Sixteenth Quarterly Monitoring Report on the Integration of Power Supply Facilities to the Island Interconnected System,” The Liberty Consulting Group, August 16, 2022, distributed by the Board of Commissioners of Public Utilities on August 22, 2022 as part of the ongoing *Reliability and Resource Adequacy Study Review* proceeding.