

1 Q. **Reference: Hydro’s response to PUB-NLH-011, Volume III, Table 8 of the Reliability and**
2 **Resource Adequacy Study 2022 Update filed October 3, 2022, and October 6, 2022 Technical**
3 **Conference**

4 With reference to Volume 1, Attachment 1, RRAS 2022 Update, at page 5 of the October 3, 2022
5 Memorandum of Daymark Energy Advisors, it is stated that “Continuing to rely on aging thermal
6 facilities (i.e., Holyrood TGS and Hardwoods GT) as critical to reliably meet Hydro’s on-Island
7 electricity needs is a growing concern that bears close monitoring....Strong consideration should
8 be given [to] accelerating their replacement prior to 2030. Daymark is aware and very much
9 supportive of Hydro’s ongoing efforts to study what would be required to accelerate the
10 integration of renewable energy into the electrical grid.” Please confirm that Hydro is reviewing
11 all options for accelerating replacement of the Holyrood TGS prior to 2030, and please comment
12 on the process to be followed and expertise resources, internal and external to Hydro, to be
13 used to inform that review process, and Hydro’s proposed plan and process for involving the
14 Board, its customers and other stakeholders in that review process, including timelines and
15 milestones for that review process.

16

17

18 A. Newfoundland and Labrador Hydro’s (“Hydro”) analysis of the implications of the findings and
19 recommendations detailed in the “Reliability and Resource Adequacy Study – 2022 Update”¹ is
20 currently underway. In the “Reliability and Resource Adequacy Study – 2022 Update,”² Hydro
21 noted that as there are significant fuel costs associated with the continued base-loaded
22 operation of the three units at the Holyrood Thermal Generating Station (“Holyrood TGS”),
23 Hydro will investigate operational strategies to optimize the dispatch of the units to manage
24 start-up challenges while minimizing cost. Hydro also noted that the units at the Holyrood TGS
25 would remain available for operation until an adequate replacement can be put in service. The
26 utilization of the Holyrood TGS will be considered within the process surrounding the ongoing

¹ “Reliability and Resource Adequacy Study Review – Reliability and Resource Adequacy Study – 2022 Update,” Newfoundland and Labrador Hydro, October 3, 2022.

² Ibid, vol. III.

1 *Reliability and Resource Adequacy Study Review* proceeding. The steps that will be taken will be
2 discussed and developed with the Board of Commissioners of Public Utilities and parties in the
3 communications ongoing as part of that proceeding.