

April 12, 2019

The Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Ms. Cheryl Blundon
Director Corporate Services & Board Secretary

Dear Ms. Blundon:

Re: Planned Outage for the Labrador-Island Link

In its correspondence of March 19, 2019, the Board of Commissioners of Public Utilities (the "Board") requested that Newfoundland and Labrador Hydro ("Hydro") suspend the filing of biweekly update reports containing information on the progress of the Labrador-Island Link. This letter is to provide information regarding the Labrador-Island Link bipole delivery schedule that was not available at the time of filing of the last biweekly update report on April 2, 2019.

Recent information from GE indicates that a period of outages and testing are required to meet bipole implementation in the fall of 2019. The major activities are:

- Implementation of version 17c monopole software beginning on May 1, 2019. This version has features required for the bipole software;¹
- Assessment of version 17c performance including a period of online testing with power transfers in late May 2019, to identify and correct any issues;
- Installation and testing of the hardware required for bipole operation in preparation of the installation of the factory tested bipole production software at the end of August 2019 ("August Bipole Software");
- Dynamic testing of the bipole software including required online testing with power transfers through September and October 2019; and
- Trial operations of the bipole beginning November 1, 2019.

¹ Version 17c will not remedy the current susceptibility to external ac faults, as detailed in Hydro's biweekly "Labrador-Island Link In-Service Update," April 2, 2019; however, there are crucial features in version 17c that are required for the bipole that are not in the software used this past winter. It is necessary to install and test these features to lessen the risk of related issues arising during bipole implementation.

In order for GE to complete the activities outlined above, it is necessary for the Labrador-Island Link to be out of service for much of the period from May 1 to October 1, 2019. There will be a number of brief periods of re-energization within that time frame to assess performance of version 17c of the monopole software and to enable dynamic commissioning of the bipole facilities beginning in September 2019.

These developments in the testing process are necessary for implementation and satisfactory function of the Labrador-Island Link in bipole mode prior to winter 2019–2020.

The August Bipole Software will provide the required features for bipole operation at the power transfer levels available from Labrador this coming winter; however, additional software features will be required for the higher power transfers expected in 2020 (“Additional Bipole Software”). The development of Additional Bipole Software will occur over the fall of 2019 and is expected to be delivered during the winter of 2019–2020. Once it is ready, Hydro will coordinate with Nalcor to schedule additional bipole outages as required and to ensure cost-effective, reliable delivery of power to customers in order to implement and test the required features. At this time, the timing of these outages has not been determined.

As requested by the Board in its correspondence on March 19, 2019, Hydro continues to work with Liberty as part of “The Board’s Investigation and Hearing into Supply Issues and Power Outages on the Island Interconnected System—Phase Two—Availability of Information and Ongoing Reporting and Monitoring” process. At Hydro’s next update meetings with Liberty Hydro will provide information on the remaining software features to be completed and any additional details available at that time on the above noted outages.

Hydro will continue to inform the Board on any material developments.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO



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