

1 Q. (Reference 2017 GRA Volume I, page 3.22) It is stated (lines 23 to 27)  
2 *“Newfoundland Power’s sites are modeled in Hydro’s Vista analysis as one pseudo*  
3 *site with characteristics and input hydrology that result in a reasonable estimate of*  
4 *its generation. Several other small plants (Snook’s Arm, Venam’s Bight, Rattle Brook,*  
5 *and Roddickton mini hydro) are included with Newfoundland Power’s sites as they*  
6 *are too small to warrant modelling separately and have similar characteristics to*  
7 *Newfoundland Power’s sites.”* Newfoundland Power and Hydro have a number of  
8 small hydro sites located around the Province. Is energy production from these  
9 smaller sites, and for that matter, even some of the larger hydro sites around the  
10 Province, likely to be reduced as low-cost energy becomes available from off-Island  
11 purchases and the coming into service of Muskrat Falls? How has Hydro taken this  
12 possibility into account in the 2018 and 2019 Test Years?

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15 A. The customer- owned hydraulic generation at Newfoundland Power and Corner  
16 Brook Pulp and Paper Limited (Deer Lake Power) is used by the Customer to supply  
17 its native load requirements. As such, Hydro does not optimize these resources nor  
18 purchase the energy. Hydro would also be unable to reduce the same through low-  
19 cost market purchases. Note however, that Hydro currently has arrangements to  
20 dispatch customer- owned hydraulic generation for Island Interconnected System  
21 capacity considerations.

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23 With respect to the other hydroelectric sites across the Province (including Hydro’s  
24 generation fleet and Exploits), there are a number of factors which could affect the  
25 dispatch of on-Island resources as opposed to purchasing low-cost energy or  
26 capacity in the market, as discussed in Hydro’s response to IC-NLH-140.

- 1 Hydro's 2018 and 2019 Test Year hydraulic generation forecasts for its generation
- 2 fleet and Exploits are based on long-term average reservoir inflows and hydraulic
- 3 production and do not consider low-cost off-Island purchases.