

1 Q. **Re: Exhibit 2, pages 3-4**

2 Citation:

3 The NLSO will reside in Hydro but will be functionally separate and will act as the
4 independent system operator for the transmission system in the Province. It will
5 operate the facilities owned by Hydro and Nalcor along with interconnections to
6 Emera's Maritime Link assets on the island.

7

8 a) Will the NLSO also operate the transmission line connecting Churchill Falls to
9 the Hydro-Québec system? If so, will it operate that line just to the Quebec
10 border, or to the first substation in Quebec?

11 b) Please explain the frontier and interface between the control area managed
12 by NLSO and that managed by Reliability Coordinator of Quebec, in
13 particular with respect to the Churchill Falls Generating Station and the
14 transmission lines connecting it to the Quebec grid.

15 c) Has Hydro-Québec indicated its agreement with this arrangement? If so,
16 please provide a copy of communications to that effect from Hydro-Québec.

17 d) Will the NLSO also operate or control the Maritime Link? If not, please
18 indicate what entity is responsible for its reliable operation, and how the
19 interface between that entity and the NLSO is organized.

- 1 A. a) The NLSO, acting as the Transmission Operator¹ for the Province's bulk
2 electric system, will be responsible for transmission operations in Labrador.
3 This will include the 735 kV lines running from the Churchill Falls generating
4 station to the Labrador/Quebec Border.
- 5
- 6 b) The frontier and interface between the control area managed by the NLSO
7 and that managed by the Reliability Coordinator of Quebec will be at the
8 delineation point of ownership of the 735 kV lines, i.e., the
9 Labrador/Quebec Border.
- 10
- 11 c) Hydro is in discussions with Hydro-Quebec on this issue.
- 12
- 13 d) The Nova Scotia Power System Operator (NSPSO) will be primarily
14 responsible for the operation and control of the DC facilities associated with
15 the Maritime Link (ML).² The NLSO will act in an emergency or backup role
16 in the event of issues such as loss of communications between the NSPSO
17 and the ML. The interface between the NLSO and NSPSO with respect to the
18 ML is defined through the *Amended and Restated Interconnection Operators*
19 *Agreement* (July 31, 2014) between Newfoundland and Labrador Hydro and
20 Nova Scotia Power Incorporated. An Interconnection Operators Committee
21 (IOC) has been formed with representation from the NLSO and NSPSO and
22 meets regularly to oversee the development, administration and

¹ The Transmission Operator operates or directs the operation of transmission facilities, and maintains local-area reliability, that is, the reliability of the system and area for which the Transmission Operator has responsibility.

² The NLSO will be responsible for the operation of the new 230 kV AC terminal station at Bottom Brook as well as the 230 kV transmission additions associated with the Maritime Link project.

1 implementation of practices and procedures and information exchange
2 related to reliability coordination and power system operation in order to
3 allow for safe and reliable integration of the ML facilities with the NL and NS
4 transmission systems.