

1 Q. Further to response to Request for Information NP-NLH-115:

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3 What timelines, if any, does Hydro have regarding the negotiations for the purchase
4 of additional power to further reduce thermal generation at Holyrood?

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7 A. As stated in Hydro's correspondence to the Board dated August 4, 2017 in relation

8 to the Board's *Investigation and Hearing into Supply Issues and Power Outages on*

9 *the Island Interconnected System*, Nalcor Energy Marketing (NEM) has enabling

10 agreements¹ with Nova Scotia Power Incorporated (NSPI) and New Brunswick

11 Energy Marketing (NBEM) to allow NEM to purchase power on behalf of Hydro from

12 these jurisdictions when prices are lower than the cost of Hydro's own thermal

13 generation. Since August 4, 2017, NEM is also working on a subsequent agreement

14 that will deal with a specific pricing framework for imports from Nova Scotia.

15 Discussions with New Brunswick Power (NBP) are also well advanced. The intent is

16 to have arrangements with NSPI and NBP in place in advance of the in-service of the

17 Maritime Link.

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19 Opportunities for imports through Labrador have also been identified, which will

20 allow Hydro to further reduce thermal generation. The intent is to have

21 arrangements for imports through Labrador in place in advance of the availability of

22 the Labrador-Island Link.

¹ The enabling agreement takes the form of an Edison Electric Institute (EEI) Master Contract which was developed by the EEI with the National Energy Marketers Association. The Master Contract is a model bilateral master agreement, containing the essential terms governing forward purchases and sales of wholesale electricity.