Q. **Re: NLH, Attachment 1, Responses to PUB Questions, page 5**

Preamble:

In response to question 5 of the PUB, Hydro provided an estimate of $11M over a two-year lease for the use of mobile diesel units to accommodate the forecast 2019 peak load of 81.4 MW, including 5 units in 2018 and 6 units in 2019.

a) Please estimate the number of diesel units currently forecast to be required to meet 2018/2019 peak loads, and provide a cost estimate breakdown specifying:
   i. rental cost;
   ii. transportation and installation cost;
   iii. fuel cost; and
   iv. any other costs.

   For fuel costs, please specify:
   v. estimated generation;
   vi. estimated fuel required; and
   vii. estimated unit fuel cost.

b) Please provide a similar estimate for 2018/2019 peak loads, under the assumption that all data centre loads are curtailed for the peak 300 hours of the year.

A.

a) The cost estimate for additional mobile diesel generation as presented in "NLH, Attachment 1, Responses to PUB Questions, page 5," ("Attachment 1") was for sufficient mobile generation to meet the forecasted 2018 peak of 80.6 MW and

forecasted 2019 peak of 81.4 MW at an estimated cost of $11 million. The current forecasted 2018 peak is 81.7 MW and forecasted 2019 peak is 83.3 MW.[1] The differences between latest forecasted peaks and the ones included in Attachment 1 are not material and therefore the previously estimated $11 million, including breakdown of the details provided in Attachment 1, is a suitable approximation of the cost to provide diesel generation for the forecasted peak loads in 2018 and 2019.

b) The Board of Commissioners of Public Utilities approved an Interruptible Load Service Agreement[2] between Newfoundland and Labrador Hydro ("Hydro") and Labrador Lynx Ltd. between December 1, 2018 and March 31, 2019 that provides sufficient load reduction to reduce the peak to approximately the system capacity of 77 MW, and therefore additional mobile generation is not required for the winter of 2018-2019. Hydro does not have approval to curtail or interrupt any other customer load for the winter of 2019-2020. If Hydro were to assume that a similar arrangement was approved by the Board of Commissioners of Public Utilities to interrupt additional data centre loads in the winter of 2019-2020, over and above Labrador Lynx Ltd. and subsequently reduce the peak load to below 77 MW, additional diesel generation would not be required to meet peak forecasted load.

[1] "Labrador Interconnected System Transmission Expansion Study" (Revision 1 – November 5, 2018), Table 3.
[2] P.U. 37(2018)