

1 Q. The response to NP-NLH-033 states “The impact of network additions to the Island is materially
2 different than Labrador”. The response to PUB-NLH-054 indicates that a revised Network
3 Additions Policy for the Island is not as urgent as the need for a revised policy in Labrador. If
4 Hydro’s proposed Network Additions Policy is consistent with industry best practice, are impacts
5 and urgency adequate justification for having different Network Additions Policies for the Island
6 and Labrador Interconnected Systems? Would it not be a better use of the Board’s time to
7 develop a Province-wide Network Additions Policy since the objectives and principles of such
8 policy would be the same?
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11 A. The development of a Province-wide Network Additions Policy (“NAP”) that is applicable to both
12 the Labrador Interconnected System (“LIS”) and the Island Interconnected System (“IIS”) is not
13 recommended at this time. This is due to the increased complexity of implementing a policy for
14 both systems and the lack of immediate need for a NAP for the IIS.
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17 In the LIS, both the eastern and western systems are approaching capacity and incremental load
18 will require significant investment in common transmission assets for a small number of
19 customers. This is not the case in the IIS, where the structure of the transmission system is more
20 meshed and load additions would be less likely to trigger the significant expansion of common
21 transmission assets. The accommodation of incremental loads would most likely consist of
22 specifically assigned system additions primarily. In the event that common upgrades were
23 required, the impact to the larger number of customers on the IIS would be less severe than in
24 Labrador. On this basis, there is no immediate need for the implementation of a NAP for the IIS.

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26 Additionally, the implementation of a NAP for both the LIS and the IIS would be more complex
27 as the policy would require joint development between Newfoundland and Labrador Hydro and
28 Newfoundland Power and would require a review of the implications for the IIS. The
29 undertaking of such an assessment and the development of appropriate amendments to
30 proposed NAP methodologies would result in delay in implementation of a policy for the LIS
where it is more urgently needed.