

1 Q. **Re: NAP**

2 Preamble:

3 Hydro has acknowledged that, until the MFHVI project is in service, it will not have adequate
4 firm transmission capacity to serve existing customers during peak periods.

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6 a) Is it Hydro's policy to commit to providing firm service to new customers beyond the
7 capabilities of its existing infrastructure?

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9 b) Please explain in detail how it came about that Hydro does not at this time have adequate
10 firm transmission capacity to serve existing customers during peak periods.

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12 c) Please detail what measures are in place to prevent customers from being signed up for
13 service without there being sufficient system capacity to serve them.

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16 A. a) It is Newfoundland and Labrador Hydro's ("Hydro") policy to ensure that the capabilities of
17 its infrastructure are adequate for providing firm service to new and existing customers. Further
18 detail is provided in Hydro's response to part (c).

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20 b) Hydro does not have adequate firm transmission capacity to serve existing customers during
21 peak periods in eastern Labrador as customer requests were accepted under the assumption
22 that the Muskrat Falls to Happy Valley Interconnection would be available in time to meet the
23 increased customer load. This project is not yet in service, but is expected to be placed in
24 operation when generators are released for service at Muskrat Falls.

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26 c) Hydro has established Transmission Planning procedures to prevent customers from being
27 signed up for service without there being sufficient system capacity to serve them. These
28 procedures include a requirement for annual assessments to ensure compliance with criteria
29 and identify required upgrades for the near-term and long-term horizons in consideration of the
30 baseline load forecast. Further, Hydro has established a procedure for the management of large
31 customer interconnection requests. This procedure involves the requirement for system impact

1 studies and allows for the identification of system upgrades to ensure that customer requests
2 can be accommodated.

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4 In addition, recognizing the current limited capacity in Labrador, a temporary restriction for load
5 additions is currently in place to restrict loads greater than 200 kW.¹ This restriction will remain
6 in place indefinitely, pending further order of the Board of Commissioners of Public Utilities.

¹ Approved as per Board Order Nos. P.U. 36(2018), P.U. 18(2019), and P.U. 34(2019).