

1 Q. In the April 7, 2020 cover letter to the Application, it is stated that Hydro “...believes the projects
2 are necessary to maintain the Holyrood TGS at full capacity until the LIL assets are proven
3 reliable.”

4 In paragraph 6 of the Application, and again at page 3, lines 3-5, of Schedule 1 to the
5 Application, it is indicated that the capital work which is the subject of the Application is
6 intended to achieve a “short-term extension of the Holyrood TGS to March 31, 2022”. Paragraph
7 6 of the Application indicates that Hydro came to this view as of February 14, 2020.

8 Given developments since February 14, 2020, does Hydro, as of the date of its response to this
9 request of information, remain of the view that the LIL assets will have been proven reliable by
10 March 31, 2022? If the answer to this question is “yes”, please provide Hydro’s information and
11 understanding, as of the date of its response to this request for information, of the work, testing
12 and commissioning schedule for the integration of the LIL assets with the Island system which
13 could achieve a March 31, 2022 proven reliability date.

14 A. The revised retirement date of March 31, 2022 was reflective of Newfoundland and Labrador
15 Hydro’s (“Hydro”) prudent and cautious planning and preparation based on the available
16 information regarding the Muskrat Falls Project schedule. The extension of the Holyrood
17 Thermal Generating Station (“Holyrood TGS”) reflected Hydro’s long-held plan to provide up to
18 two years of overlap of the Holyrood TGS while the new assets are in the early in-service period.

19 Work is continuing, although at a slower pace, on the Labrador-Island Link (“LIL”) software
20 development and testing despite the current circumstances related to the COVID-19 pandemic.
21 However, site work has been suspended and due to the evolving COVID-19 situation Nalcor
22 Energy advises it can not provide a restart schedule for site work nor indicate how once site
23 work recommences productivity may be impacted. At this time, Hydro has not received a
24 schedule update different from that contemplated in this application and, therefore, is
25 maintaining its current proposals for work at Holyrood. Hydro’s Application reflects work

1 necessary to ensure operation up to the extension date of the Holyrood TGS to March 31, 2022.¹
2 As stated in the Application, the projects are necessary to ensure the Holyrood TGS is able to
3 continue at full capacity until that date. Hydro will continue to monitor the status of the
4 Muskrat Falls Project assets and the degree to which the availability of the Holyrood TGS is
5 required to ensure the provision of reliable service to customers.

¹ The “Reliability and Resource Adequacy Study – 2019 Update” identified capital projects necessary in 2021 to support the extension of the Holyrood TGS to March 31, 2022. These are being considered for inclusion in Hydro’s 2021 Capital Budget Application.