

1 Q. What are current Hydro and Government plans relating to the addition of renewable energy
2 sources in rural and isolated communities in the Province to displace diesel generation?

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4 A. Newfoundland and Labrador Hydro (“Hydro”) remains committed to providing least-cost reliable
5 service to its customers. Currently, Hydro has established agreements with Independent Power
6 Producers for the generation of renewable energy in two of its isolated systems – Frontier
7 Energy in Ramea and St. Mary’s River Energy Limited Partnership¹ in Mary’s Harbour. These
8 agreements allow Hydro to purchase wind energy in Ramea and hydroelectric energy in Mary’s
9 Harbour to offset diesel generation in these communities.

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11 Additionally, Hydro is currently working with Natural Forces to establish a photovoltaic and
12 battery energy storage system in Mary’s Harbour. Hydro anticipates its existing Power Purchase
13 Agreement with St. Mary’s River Energy Limited Partnership will be revised to include the output
14 of these additional facilities. Hydro is also currently working with the Nunatsiavut Government
15 as part of its Energy Security Working Group to assess the feasibility of renewable energy
16 projects in that region.

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18 In 2018, Hydro and the Department of Natural Resources jointly issued a Request for
19 Expressions of Interest for Renewable Energy Solutions for Isolated Coastal Diesel-Powered
20 Electricity Systems in Newfoundland and Labrador. Hydro is currently developing technical
21 interconnection requirements that would ensure the integration of renewable technologies
22 does not adversely impact the reliability of Hydro’s isolated systems. These requirements could
23 be used to support a future Request for Proposals (“RFP”) process to encourage the integration
24 of additional renewable energy sources in its isolated systems. Should Hydro proceed with an
25 RFP process, and should potential projects be identified as part of that RFP process, Hydro will
26 provide the Board with additional information at that time.

¹ Owned in part by Natural Forces.