

1 Q. Please confirm that the interconnection agreement addresses the agreement of Marathon Gold
2 to operate the Valentine Terminal Station in accordance with Hydro standards and operating
3 procedures to ensure safety, reliability and compatibility with Hydro's system. If not, please
4 provide details of how Hydro will ensure that the Valentine Terminal Station will be operated to
5 Hydro's standards.

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8 A. As noted in Newfoundland and Labrador Hydro's ("Hydro") response to PUB-NLH-002 of this
9 proceeding, Hydro does not have an interconnection agreement with Marathon Gold
10 Corporation ("Marathon Gold"); however, prior to the full commissioning of the Valentine Gold
11 project Hydro will be applying to the Board of Commissioners of Public Utilities for the approval
12 of a Power Service Agreement between Hydro and Marathon Gold. This Power Service
13 Agreement will be similar to other Power Service Agreements that Hydro has with its industrial
14 customers. In those agreements there are provisions regarding the customer's responsibilities
15 for maintaining safe and reliable power, such as:

16 For the purpose of using the power service of Hydro, the Customer shall install
17 properly designed and suitable apparatus in accordance with good engineering
18 practice, and shall at all times operate and maintain such apparatus so as to
19 avoid causing any undue disturbance on the system of Hydro, and so that the
20 current shall be approximately equal on all three of its phases.

21 and

22 If, at any time, the unbalance in current between any two of its phases is, in the
23 judgment of Hydro, excessive to a degree that the power delivery system of
24 Hydro and/or the electrical equipment of any other customer of Hydro is
25 adversely affected, then it shall be the responsibility of the Customer to take
26 such reasonable remedial measures as may be necessary to reduce the
27 unbalance to an acceptable value.

28 Hydro intends to have similar provisions in the Power Service Agreement with Marathon Gold.
29 In addition to the provisions in the Power Service Agreement, Hydro will have the necessary
30 breaker, protection systems, and operating systems installed at the proposed Star Lake Terminal

- 1 Station extension required to safely and reliably manage and operate Hydro's system and the
- 2 power supply to Marathon Gold.