

1 **Q. Reference: Information Session for Interested Parties, slide 28.**

2 Has Hydro considered whether the non-firm rate offering should be limited (in MW) or provided
3 on a pilot or interim basis given current uncertainties including: (i) the reliability of the Labrador-
4 Island Link, (ii) potential further growth in Labrador and (iii) ongoing feasibility studies
5 associated with connection of non-firm customers closer to the Muskrat Falls Substation?

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8 A. Newfoundland and Labrador Hydro (“Hydro”) does not believe that the non-firm rate offering
9 should be limited or provided as a pilot program. Applicants in Labrador have requested that
10 they have the same opportunity to purchase the excess energy that Hydro currently sells in
11 export markets; these customers do not want to proceed with further studies or infrastructure
12 investments until they have certainty on the non-firm rate design. The reliability of the
13 Labrador-Island Link does not impact non-firm service in Labrador as these customers will be
14 supplied by Recapture and TwinCo¹ Energy.

15 Any changes to firm load will impact the availability of non-firm energy; this has been
16 communicated to applicants and they remain interested in pursuing non-firm service. While
17 increased usage of firm load by existing customers would reduce available non-firm capacity,
18 future investments in transmission capacity to serve growth in firm load on the Labrador
19 Interconnected System could also make new non-firm capacity available in the future.

¹ Twin Falls Power Corporation Limited (“TwinCo”).