Page 1 of 1

Reference: Review of Newfoundland and Labrador Hydro Power Supply 1 **0**: 2 Adequacy and Reliability Prior to and Post Muskrat Falls Final Report, Pages 71-3 74, and the response to Request for Information NP-NLH -139. 4 5 In the response to Request for Information NP-NLH-139 Hydro indicates that a 6 failure rate of 0.1 failures per year per bipole should be applied and that the 7 structural failure rate of 0.002 per year should be applied for the section of the 8 Labrador Island Link on the Avalon Peninsula and 0.00667 per year should 9 apply to other sections. 10 11 Please explain whether or not Liberty accepts the structural failure rates 12 indicated above to be reflective of the potential structural failure on the 13 Labrador Island Link. If Liberty does accept these failure rates, please indicate 14 why Liberty concludes that additional generation is required following the 15 integration of the Muskrat Falls project, the Labrador Island Link, and the 16 Maritime Link. 17 18 19 A. Liberty has not offered an opinion on the adequacy of structural failure rates 20 proposed by Hydro. Please see our response to NP-PUB-022. 21 22 Also, note that Liberty's conclusion that post-Muskrat Falls generation is likely 23 needed is based on the probability (more than once every three years) and 24 consequences (load shedding) of a bipole failure. This probability is stated in 25 Conclusion V-15 of our report as follows: 26 27 "Hydro estimates the average number of bipole outages to be 0.10 for the 28 converter stations and 0.22 for the HVdc OHL, giving a total of 0.32, i.e., a 29 bipole failure about every three years."