

1 Q. Reference: *2016 Standby Fuel Deferral Application*, Page 3, Chart 1.

2 Please explain in detail the relevance of the “Min. Energy Storage Target” data
3 represented in Chart 1 and how it is used in the maintenance of appropriate
4 reservoir levels.

5

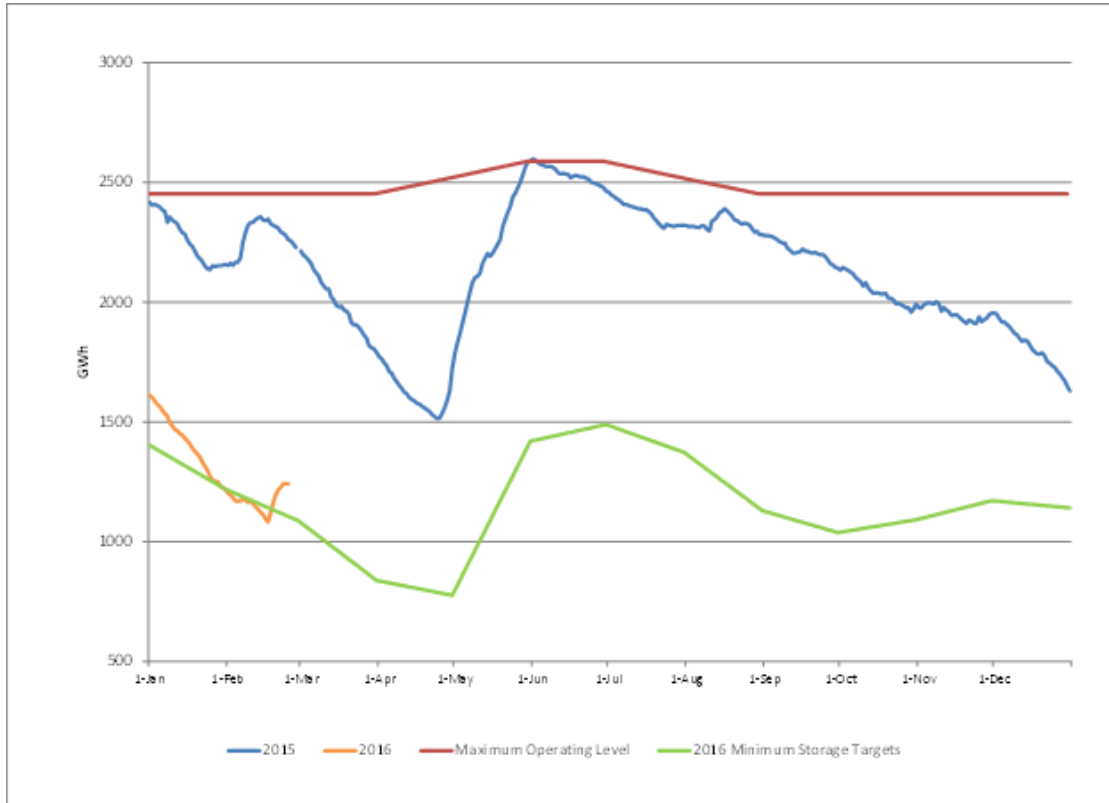
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7 A. The monthly minimum energy storage targets, set annually by Hydro, provide a
8 graphical indication of the minimum total energy that Hydro must have stored in its
9 reservoir systems in order to secure the supply of energy and capacity for its
10 customers during a critical dry sequence. The system wide monthly storage targets
11 are developed using Vista DSS, with consideration of historic inflow sequences,
12 plant availability (including the Holyrood TGS), and system load forecasts and are
13 recalculated in the event of demand and/or supply side changes.

14 As indicated in the Application, the minimum storage targets in Chart 1 were set for
15 2015. The Total System Energy Storage Chart, including the minimum storage
16 targets for 2016, is shown in Figure 1 below. The aggregate storage is updated as of
17 February 25, 2016, at which time Hydro estimates that 96 GWh of standby energy
18 has been produced in support of the reservoirs.

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Figure 1 Total System Energy Storage



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