



NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES
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2019-12-04

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Dear Sirs/Madam:

Re: Investigation and Hearing into Supply Issues and Power Outages on the Island Interconnected System - Phase Two - Conclusion / Review of the Reliability and Resource Adequacy Study - Record and Proceeding

The Board is writing to advise that it has determined that Phase Two of the Board's *Investigation into Supply Issues and Power Outages on the Island Interconnected System* will be concluded and that any concerns in relation to adequacy and reliability of supply on the Island Interconnected system upon interconnection with the Muskrat Falls Project will be addressed in the Board's review of the Reliability and Resource Adequacy Study filed by Hydro on November 16, 2018.

The Board's investigation into supply issues and power outages on the Island Interconnected system began in January of 2014 following a series of supply disruptions and outages on the system. Concerns were raised at the time in relation to long-term reliability and supply adequacy, particularly with the expected integration of the Muskrat Falls Project in 2017. As the review progressed the Board decided that the issues related to near-term reliability would be addressed as Phase One of the investigation and the issues related to reliability and supply adequacy after commissioning of the Muskrat Falls Project would be addressed in Phase Two.


Following the issuance of the Board's Phase One report on September 29, 2016 the Board issued a number of directions to Hydro, including the requirement to file semi-annual generation adequacy reports. On January 31, 2017 the Board noted that the interconnection with the Muskrat Falls Project had been delayed until 2019-2020 and stated that it was critical that Hydro undertake certain work to ensure the reliability and adequacy of supply on the Island Interconnected system upon interconnection. Later in 2017 the Board advised that additional reporting and ongoing monitoring was required and established a monitoring framework, including quarterly reviews and reporting. Since 2017 quarterly monitoring has been ongoing and Hydro has filed significant additional information and reports, including winter readiness reports and technical studies related to interconnection.

The Board has reviewed the Phase Two record and believes that, with the passage of time and the change in circumstances since the investigation was initiated more than five years ago, including the ongoing review of the Reliability and Resource Adequacy Study, Phase Two should now be brought to a close. The matters raised in Phase Two have been substantively addressed through ongoing monitoring and reporting and any issues which continue to be relevant will be addressed in the review of Hydro's Reliability and Resource Adequacy Study. To ensure that the relevant information filed in Phase Two is available to be considered in the review of Hydro's Reliability and Resource Adequacy Study all the Phase Two documents, including the ongoing monitoring reports, will be placed on the record for the Reliability and Resource Adequacy Study. As Phase Two of the *Investigation into Supply Issues and Power Outages on the Island Interconnected System* is now concluded a party who wishes to apply to the Board for an award of costs must file a submission and claim for costs by January 15, 2020.

If you are interested in participating in the proceeding related to the review of the Reliability and Resource Adequacy Study you may apply to become a registered intervenor or you may make a presentation or file comments. Notice will be published beginning on December 15, 2019 inviting participation in the review. Further details on the process and schedule for this proceeding will be available once the intervenors have been determined.

If you have any questions please contact the Board's Legal Counsel, Ms. Jacqui Glynn, by email, jglynn@pub.nl.ca or by telephone 709-726-6781.

Sincerely,



Sara Kean
Assistant Board Secretary

SK/cj

ecc

Newfoundland and Labrador Hydro

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