Q. Reference: *2024 Resource Adequacy Plan*, Revision 2, August 28, 2024; Appendix C: 2024 Expansion Plans – Development Process and Recommendation, Page 63 of 163, lines 7-11.

> "At this time, Hydro is assuming that ten days of fuel storage associated with the CT as a resource option has to be burned off annually. While further study is required to assess extending the shelf life of the fuel in storage, and/or determining if there is a way to cycle unused fuel via contractual means, the Expansion Model is being forced to burn off the fuel annually as a worst-case scenario to ensure Hydro is fully capturing the associated costs."

a) Please explain how Hydro determined that ten days of fuel storage was appropriate for the planned 150 MW combustion turbine. In the response, please explain whether the decision to maintain ten days of fuel storage was based on fuel availability and logistical constraints versus the operating requirements of the combustion turbine during potential reliability events such as an extended outage to the LIL.

b) Is Hydro planning to propose ten days of fuel storage in its application for the planned 150 MW combustion turbine?

c) Does Hydro's reliability modelling assume that the new 150 MW combustion turbine will have a sufficient supply of fuel to operate when needed in all circumstances including an extended outage to the LIL? Or does Hydro's reliability modelling recognize that fuel may be limited due to storage, the availability of fuel, and the availability of fuel trucks?

A. a) Hatch Ltd. ("Hatch"), as part of the Concept Design Report in 2023, determined ten days of fuel storage would be adequate to run the new combustion turbine plant based on emergency preparedness and contingency planning.[1] The ten-day fuel storage philosophy has been carried in the front-end engineering design scope of work; however, Newfoundland and Labrador Hydro ("Hydro") will continue to review and optimize the fuel storage requirements in the detailed design phase.

[1] Hatch's recommendation was based on information from suppliers regarding notice periods. Please refer to "Newfoundland and Labrador Hydro Concept Design Report," Hatch Ltd., September 28, 2023 filed in "*Reliability and Resource Adequacy Study Review* – Combustion Turbine Feasibility Study," Newfoundland and Labrador Hydro, October 13, 2023.

b) Please refer to part d) of Hydro's response to NP-NLH-102 of this proceeding.

c) Hydro's reliability modelling, including an extended outage to the Labrador-Island Link, assumes that sufficient fuel is available when required.