

- 1 Q. Please outline in detail any issues that arose during construction related to the “Project”
2 (i.e., Muskrat Falls generating station, LIL, and LTA) that could affect the forced outage rate
3 for the LIL that Hydro has calculated based on industry standard values (Attachment 7,
4 Volume 1, Reliability and Resource Adequacy Study). These issues may relate to any area of
5 the Project including conductor, tower foundations, converter stations, software,
6 synchronous condensers, and others. Please outline how Hydro intends to incorporate
7 these issues into the forced outage rate and other reliability metrics associated with the LIL.
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- 10 A. The Labrador-Island Link (“LIL”) and the Labrador Transmission Assets have been
11 constructed in accordance with their basis of design and therefore their performance
12 expectations from a construction basis should match previous values provided. There have
13 been no construction related items identified that would result in lower reliability.
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- 15 The LIL HVdc bipole control and protection software continues to be developed for
16 implementation in the fall of 2019. The contractor has provided performance guarantees
17 on reliability for the converter stations that will result in financial penalties to the
18 contractor if they are not met. At this point Nalcor does not expect performance at levels
19 below the contracted values included in Newfoundland and Labrador Hydro’s (“Hydro”) assumptions in the Reliability and Resource Adequacy Study.
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- 22 Although construction of the Muskrat Falls Plant is not complete, to this point there have
23 been no issues identified that would lead the units at Muskrat Falls not to perform
24 consistent with similar sized generating units in the industry.
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- 26 The synchronous condensers at Soldiers Pond are nearing construction completion. At this
27 point there have been no issues identified that will affect the expected long term
28 performance of these units.

1 Nalcor will closely monitor the performance of all these facilities and will report to Hydro
2 on their performance. Nalcor will apply sound asset management practices to ensure the
3 sustained reliable operation of the facilities.

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5 As there have been no issues identified, there has been no requirement to incorporate any
6 changes to forced outage rates or other reliability metrics associated with power delivered
7 to the Island over the LIL. If any issues should arise, Hydro will make appropriate
8 adjustments in a manner similar to that for known issues within Hydro's generating
9 facilities.