

1 **Q. Reference: November 30, 2022, Hydro Presentation**

2 **LIS Non-Firm Rate & Pricing**

3 With respect to Slide 25:

4 **a)** When will the system impact studies for mining load additions in Labrador West be
5 concluded? Have they been started? What are the potential mining load additions
6 under consideration?

7 **b)** Is there existing service capacity in Labrador East? Please specify the amount and
8 availability?

9 **c)** If not answered in response to question 23, has the Muskrat Falls and Happy Valley
10 transmission interconnection been completed? When will it become operational?
11 What are the firm service requests in Labrador East that Hydro expects will fully utilize
12 the Muskrat Falls power? Why are the current requests for power that is not available
13 deemed to be firm power request rather than surplus? How do these differ from the
14 requests from customers in Labrador West?

15 **d)** Why is Hydro discriminating against cryptocurrency customers?

16 **e)** If the Labrador Interconnect Link from Muskrat Falls to the Island cannot be made to
17 work or does not achieve sufficient reliability, will Hydro make any of the power
18 available for use in Labrador?

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21 **A. a)** The system impact studies for mining load additions in Labrador West are underway and will
22 most likely be concluded in 2023. As studies progress and more information is gathered it is
23 reasonable for studies to change in scope, this may result in it taking longer to complete the
24 studies. The total new load additions currently being considered in Labrador include more
25 than 850 MW for the longer term (2030 and beyond); however, 440 MW is being considered
26 in the near term (prior to 2030).

1 **b)** Yes, there is existing firm service capacity in Labrador East. This new capacity was made
2 available when the interconnection between Muskrat Falls and Happy Valley and the Happy
3 Valley Terminal Station upgrades were completed as per Newfoundland and Labrador
4 Hydro's ("Hydro") response to part b) of BKL-NLH-023 of this proceeding.

5 **c)** Please refer to Hydro's response to part b) of BKL-NLH-023 of this proceeding.

6 It should be noted that on Slide 25,¹ Hydro stated that "new firm service requests in
7 Labrador East may fully utilize available transmission capacity", not that the Muskrat Falls
8 power will be fully utilized. The new firm customers in Labrador East will be served from
9 Recapture Energy.

10 Some applicants have requested firm service as opposed to non-firm service. Applications
11 for service in Labrador East are treated no differently than applications for service in
12 Labrador West.

13 **d)** Hydro's statement on Slide 25 "Hydro also needs to implement internal processes to ensure
14 firm service is not provided to either new cryptocurrency customers or new cryptocurrency
15 load" stems from the Order in Council issued by the Government of Newfoundland and
16 Labrador on November 10, 2022 exempting Hydro from the legislative obligation to supply
17 firm electrical service to applicants from cryptocurrency industries. Hydro's correspondence
18 to the Board of Commissioners of Public Utilities dated November 22, 2022,² and copied to
19 all Intervenor of the Non-Firm Rate Application, explains Hydro's actions to deny all
20 applications for new firm service for cryptocurrency operations.

21 **e)** The next source to supply load growth for the Labrador Interconnected System has not yet
22 been determined.

¹ "Non-Firm Rate Application – Information Session for Interested Parties," Newfoundland and Labrador Hydro, November 30, 2022.

² "Application for a Non-Firm Rate for Labrador – Order in Council OC2022-266," Newfoundland and Labrador Hydro, November 22, 2022.