

1 **Q. Reference: Application**

2 With respect to paragraph 7, does Hydro propose that any increased demand in Labrador be
3 treated as non-firm power? If not, what are the criteria that Hydro will apply to deem power
4 supplied to some customers as firm and other as non-firm?

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7 **A.** Newfoundland and Labrador Hydro (“Hydro”) is not proposing that any increased demand on
8 the Labrador Interconnected System be treated as non-firm. Hydro is proposing the approval of
9 an optional rate for non-firm service in Labrador that would allow Hydro to serve a limited
10 number of customers through the sale of surplus/excess energy that would otherwise be
11 exported. Non-firm energy sales can occur at such times that Hydro has transmission capacity
12 available in excess of the amount it requires to meet the firm service requirements of its
13 customers. The proposed Labrador Interconnected System Non-Firm Rate is subject to frequent
14 interruptions to ensure the load requirements of firm customers can be met.

15 Customers will decide whether they wish to avail of firm or non-firm service, and apply for the
16 type of service they wish to receive.¹

¹ Cryptocurrency customers are only eligible for non-firm service. Order in Council 2022-266 exempts Hydro from the legislative obligation to supply firm electrical service to cryptocurrency applicants.