

1 Q. **Reference: Application**

2 Regarding the Energy and Capacity Agreement between Nalcor and Emera:

3 a) Have the agreed annual amounts for the Nova Scotia block and supplemental energy  
4 been delivered on schedule since delivery began or is there an accumulated amount of  
5 undelivered energy or capacity that must be delivered in the future? Please provide a  
6 table showing the scheduled amounts, the amounts delivered and outstanding amounts  
7 to date.

8 b) Now that the LIL has been commissioned, if the LIL is not fully operational for the next  
9 few years (e.g., operating at 60% of capacity or experiences lengthy interruptions) is it  
10 possible that the Holyrood thermal plant may have to be relied upon to ensure that the  
11 Nova Scotia Block and supplemental energy, including any amounts owing, are  
12 delivered? If so, who bears the extra costs?

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15 A. a) Reporting of amounts delivered for the Nova Scotia Block is provided in Appendix B of  
16 Newfoundland and Labrador Hydro's ("Hydro") monthly Energy Supply Report.<sup>1</sup>

17 It is Hydro's opinion that the information requested is not necessary for a satisfactory  
18 understanding of the matters to be considered in the 2024 Capital Budget Application as  
19 required by the *Board of Commissioners of Public Utilities Regulations, 1996*.<sup>2</sup>

20 b) Holyrood Thermal Generating Station ("Holyrood TGS") will not be relied upon to deliver the  
21 Nova Scotia Block, inclusive of Supplemental Energy. Depending on system conditions,  
22 including the Labrador-Island Link ("LIL") reliability, the Holyrood TGS may at times be  
23 required to serve load on the Island Interconnected System and Island Interconnected  
24 System customers would be expected to bear any associated costs. However, reliance on  
25 the Holyrood TGS would likely not be increased, and may in fact be reduced, as a result of

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<sup>1</sup> Hydro's monthly Energy Supply Reports can be accessed at <<http://www.pub.nl.ca/indexreportspages/energysupply.php>>.

<sup>2</sup> Nfld. Reg. 39/96, s 14.

1 Nova Scotia Block deliveries. This is because operational limits of the LIL and Maritime Link  
2 are interdependent and increasing Maritime Link exports will, in general, enable more LIL  
3 deliveries to remain on Island to serve the Island Interconnected System. For further  
4 discussion on the interdependency of the LIL and Maritime Link, please refer to Section  
5 3.2.2.2 of Reliability and Resource Adequacy Study 2023 Update, filed with the Board on  
6 June 2, 2023.<sup>3</sup>

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<sup>3</sup> "Reliability and Resource Adequacy Study 2023 Update – Volume II: Near-Term Reliability Report – May Report," Newfoundland and Labrador Hydro, June 2, 2023.