

1 Q. **Reference: Application, Five-Year Capital Plan (2025-2029), page 1.**

2 Regarding the addition of 400 MW of wind energy,

- 3 a) What is the estimated capital cost of this 400 MW of wind energy?
- 4 b) Will Hydro develop this wind energy or would it procure it from other sources?
- 5 c) Does Hydro currently own and operate wind energy generation capacity?
- 6 d) Does Hydro's legislative mandate allow it to construct and operate its own wind energy
7 facilities?
- 8 e) Does legislation allow others to construct and operate wind energy facilities?
- 9 f) Please provide evidence comparing the cost-effectiveness of procuring wind-generated
10 electricity through PPAs with private wind energy generating companies to in-house
11 generation.

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14 A. a) Newfoundland and Labrador Hydro's ("Hydro") recommended Expansion Plan, filed as
15 Appendix C of its 2024 Resource Adequacy Plan,¹ provides further discussion regarding the
16 procurement of onshore wind supply. As noted in that document, the wind supply is
17 intended to be sourced through a Power Purchase Agreement with private wind energy
18 generating companies. Further details and discussion regarding wind as a solution to meet
19 the Island Interconnected System's capacity needs are ongoing in the *Reliability and*
20 *Resource Adequacy ("RRA") Study Review* process. It is Hydro's opinion that the information
21 requested is not necessary for a satisfactory understanding of the matters to be considered
22 in the 2025 Capital Budget Application ("CBA") as required by the *Board of Commissioners of*
23 *Public Utilities Regulations, 1996.*²

¹ "2024 Resource Adequacy Plan – An Update to the Reliability and Resource Adequacy Study," Newfoundland and Labrador Hydro, rev. August 26, 2024 (originally filed July 9, 2024), app. C.

² NLR 39/96, s 14.

- 1 **b)** Please refer to Hydro’s response to part a).
- 2 **c)** Hydro does not currently own and operate wind energy generation capacity. While Hydro
3 does own wind energy generation assets in Ramea, those are not currently operating.
- 4 **d)** There are no legislative impediments to Hydro’s ability to construct and operate wind
5 energy facilities.
- 6 **e)** Currently, subsection 14.1(2) of the *Electrical Power Control Act, 1994* (“EPCA”)³ prohibits a
7 retailer or an industrial customer from developing, owning, operating, managing or
8 controlling a facility for the generation and supply of electrical power or energy for its own
9 use or for supply directly or indirectly to the public or an entity on the island portion of the
10 province. This includes wind energy generation. There are some exceptions for facilities
11 used exclusively in emergency circumstances (subsection 14.1(4)) or that existed on
12 December 31, 2011 (subsection 14.1(5)). Subsection 14.1(7) of the *EPCA* allows the
13 Lieutenant-Governor in Council to grant exemption to a retailer or an Industrial customer
14 from section 14.1 or any part of it.
- 15 **f)** Hydro's recommended Expansion Plan, provides further discussion regarding the
16 procurement of onshore wind supply. Further details and discussion regarding wind as a
17 solution to meet the Island Interconnected System's capacity needs are ongoing in the *RRA*
18 *Study Review* process. It is Hydro’s opinion that the information requested is not necessary
19 for a satisfactory understanding of the matters to be considered in the 2025 CBA as required
20 by the *Board of Commissioners of Public Utilities Regulations, 1996*.

³ *Electrical Power Control Act, 1994*, SNL 1994, c E-5.1.