

1 Q. **Reference: Application, Five-Year Capital Plan (2025-2029), page 5.**

2 With respect to Planned System Growth Capital Expenditures:

- 3 a) Are these expenditures required both to increase energy and to add capacity?
- 4 b) How much excess electricity did Hydro sell in external markets in 2022 and in 2023 and
5 what were the sources of that excess energy?
- 6 c) Without additions to generating facilities, how long will excess electricity persist?
- 7 d) Once existing excess electricity is fully taken up, what will be the marginal cost of
8 electricity for the IIS?
- 9 e) To what extent can Hydro import energy and capacity for the IIS from outside the
10 province over next five years?

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13 A. a) As Newfoundland and Labrador Hydro (“Hydro”) noted in the Five-Year Capital Plan (2025–
14 2029),¹ the planned system growth expenditures are primarily the result of the execution of
15 major projects required for additional generation as discussed in Hydro’s 2024 Resource
16 Adequacy Plan.² Review and discussion of the analysis underlying those recommendations
17 are underway in the *Reliability and Resource Adequacy Study Review* proceeding. It is
18 Hydro’s opinion that the information requested is not necessary for a satisfactory
19 understanding of the matters to be considered in the 2025 Capital Budget Application as
20 required by the *Board of Commissioners of Public Utilities Regulations, 1996*.³

21 b) In 2022 and 2023, Hydro sold 2,105 GWh and 2,419 GWh, respectively, of excess electricity
22 to external markets, not including Hydro-Québec–Churchill Falls sales or sales to Emera

¹ “2025 Capital Budget Application,” Newfoundland and Labrador Hydro, July 16, 2024, sch. 2, p. 6.

² “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).

³ NLR 39/96, s 14.

1 under the Energy and Capacity Agreement. Hydro does not track data related to generator-
2 specific sources of excess energy.

3 **c)** Please refer to part a) of this response.

4 **d)** Please refer to part a) of this response.

5 **e)** Please refer to part a) of this response.