Q. On page 16 of the Upgrade Transmission Line Corridor Report ("Report") Hydro states that the third transmission line from Bay d'Espoir to Western Avalon is necessary for both the isolated system alternative and the HVdc intertie. Do the post contingency and steady state issues outlined in the Report exist in either alternative? Explain your response in detail.

A. The isolated system alternative would involve the addition of system capacity in the form of hydroelectric generation in the western portion of the province. Generation sources include:

- Island Pond – 36 MW
- Round Pond – 18 MW
- Portland Creek – 23 MW

These sources are all located west of Bay d'Espoir and a continued Isolated Island scenario would see an increase in the loading of transmission lines in the Bay d'Espoir to Western Avalon corridor. Without system reinforcement, supply to load centers on the Avalon Peninsula from these sources is constrained to existing limits due to the thermal limitations of transmission lines as well as transient stability considerations. Post contingency and steady state issues in the Bay d'Espoir to Western Avalon corridor also persist in the isolated system alternative.

A summary of the impact of the thermal limitations of transmission lines is provided in Appendix A. A comparison of the transient stability of the existing system with the transient stability of the system after the addition of the Labrador-Island HVdc Link is discussed in Hydro's response to NP-NLH-009.