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August 25, 2014

The Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road
P.O. Box 21040
St. John's, NL
A1A 5B2

Attention:

Ms. Cheryl Blundon

Director Corporate Services & Board Secretary

Dear Ms. Blundon:

Re:

Newfoundland and Labrador Hydro - the Board's Investigation and Hearing into Supply Issues and Power Outages on the Island Interconnected System – Schedule for Securing Economically Available Interruptible Loads

As requested by the Board in its letter of August 13, 2014, please find attached Hydro's workplan schedule related to securing economically available interruptible loads.

We trust the foregoing is satisfactory. If you have any questions or comments, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Geoffrey P. Young

Senior Legal Counsel

GPY/jc

Attachment

Distribution List:

cc: Gerard Hayes – Newfoundland Power

Thomas Johnson – Consumer Advocate

Paul Coxworthy - Stewart McKelvey Stirling Scales

Thomas O'Reilly - Cox & Palmer

Sheryl Nisenbaum – Praxair Canada Inc.

Danny Dumaresque

ecc: Roberta Frampton Benefiel – Grand Riverkeeper Labrador

Status of Workplan for Securing Economically Available Interruptible Load

| | tem ımbe | er Description of Activity | Status | Expected Completion Date |
|----------|-------------|---|--------------|--------------------------------|
| | A. | Preliminary Research | | |
| 1. | | Research interruptible loads and capacity assistance in | In progress | August 31, 2014 |
| | | other Canadian jurisdictions | | |
| 2. | | Review Hydro's previous interruptible power and capacity | Complete | June 15, 2014 |
| <u> </u> | | assistance contracts to inform discussion with customers | | |
| 3. | | Complete analysis of costs expected to be incurred by | In progress | August 31, 2014 |
| <u> </u> | | potential customers for the provision of interruptible load | | A |
| 4. | | Complete analysis of Hydro's cost of providing additional | In progress | August 31, 2014 |
| | | capacity for incorporation into developing pricing | | |
| | _ | considerations for interruptible load | | |
| _ | В. | Legal Considerations | | Cantanahan 15, 2014 |
| 5. | | Complete legal review of any potential issues associated with obtaining interruptible power and/or capacity | In progress | September 15, 2014 |
| | | assistance | | |
| | C. | Regulatory Considerations | | |
| 6. | С. | Determine regulatory process to follow with respect to | In progress | September 15, 2014 |
| 0. | | obtaining interruptible power and/or capacity assistance | iii progress | 3cptcmbcr 13, 2014 |
| | | arrangements | | |
| | D. | System Considerations | | |
| 7. | | Assess most appropriate means of incorporating | In progress | September 15, 2014 |
| | | interruptible power and/or capacity assistance | | • |
| | | arrangements into Hydro's isolated island system | | |
| | E. | Commercial Considerations | | |
| 8. | | Assess appropriate commercial terms (including rate | In progress | September 15, 2014 |
| | | structure) to be incorporated into potential agreements | | |
| | F. | Engagement of Customers | | |
| 9. | | Make contact with industrial customers inquiring as to | Complete | June 30, 2014 |
| | | their ability to curtail or provide capacity assistance | | |
| 10. | | Meet with industrial customers as necessary | In progress | September 21, 2014 |
| 11. | | Determine optimal combination of interruptible and/or | In progress | September 15, 2014 |
| | | capacity assistance contracts moving forward | | |
| 12. | | Obtain alignment/agreement with applicable industrial | Pending | September 21, 2014 |
| | | customers on terms & conditions/commercial | | |
| | | arrangements | | |
| | G. | Approval of Commercial Arrangements & Execution | | - |
| 13. | | Put forward for final PUB approval and execute | Pending | October, 2014 |
| | | arrangements as required | | |