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Reference: Liberty Consulting Report, August 19, 2016, Review of 1 **0**: 2 Newfoundland and Labrador Hydro Power Supply Adequacy and Reliability 3 **Prior to and Post Muskrat Falls Final Report** 4 5 "With its connection to the North American grid via Nova Scotia, Hydro faces 6 potential new standards for its system and its interfaces with others"(p 101). 7 8 Liberty notes how the ML will be important to provide support before and after 9 Muskrat Falls is completed. This means the ML must be tested and 10 commissioned in 2017. Did Liberty investigate the NERC compliance that 11 Hydro and Emera will need in place to begin commissioning in 2017? If yes, 12 please provide a brief description of the NERC compliance actions and the 13 schedule for completion. 14 15 16 Liberty did review NERC compliance issues associated with operation of the A. 17 Maritime Link. Since Newfoundland has not established the regulatory framework to mandate NERC/NPCC compliance, Hydro is under no obligation to follow 18 19 NERC/NPCC standards. Nevertheless, the "Interconnection Operators Agreement" 20 between Hydro and Nova Scotia Power commits Hydro to apply Nova Scotia (and 21 hence NERC/NPCC) reliability standards in the operation of the Maritime Link, 22 including application to the Maritime Link operation and the Hydro Energy Control 23 Center. Hydro has indicated that it will be "NERC compliant" in these required areas 24 before the Maritime Link begins operation. This commitment was documented in 25 Hydro's response to CA-NLH-142.