

1 Q. **Reference: Reliability and Resource Adequacy Study – 2022 Update, Volume III: Long Term**
2 **Resource Plan, October 3, 2022, page 40, lines 1-4.**

3 Assessing LIL reliability in this way would result in significant incremental costs
4 within the Island Interconnected System that must be balanced against the
5 incremental reliability such investment would provide. Hydro has included this
6 analysis as an additional case for information purposes; however, Hydro does
7 not recommend this to be the defining reliability criteria at this time.

8 Has Hydro finalized its reliability criteria for future resource planning on the Island
9 Interconnected System? If not, what additional work and assessments does Hydro need to
10 complete in order to finalize its reliability criteria?

11

12

13 A. As stated in the “Reliability and Resource Adequacy Study – 2022 Update,”

14 Hydro continues to recommend the following, but is committed to reassessing
15 these recommendations in the 2023 Update as Hydro continues to gather
16 information while working with stakeholders to advance associated files:

- 17 ● Adoption of a system reserve margin that satisfies $LOLE^{[1]} \leq 0.1$ for the
18 Newfoundland and Labrador Interconnected System;
- 19 ● Adoption of a system reserve margin that satisfies $LOLE \leq 0.1$ for the
20 Island Interconnected System;
- 21 ● Planning for the Newfoundland and Labrador Interconnected System on
22 a regional and sub-regional basis; and
- 23 ● Extending pre-existing Island Interconnected System energy criteria to
24 the Newfoundland and Labrador Interconnected System.²

25 In order to finalize its reliability criteria, Newfoundland and Labrador Hydro (“Hydro”) requires
26 further analysis of the costs associated with the transition to the more stringent $LOLE \leq 0.1$
27 criteria, which will be weighed against the benefits of increased reliability. This will be refined
28 further in the Reliability and Resource Adequacy Study – 2023 Update; however, it is an ongoing

¹ LOLE: Loss of load expectation (“LOLE”) is the expected number of days each year where available generation capacity is insufficient to serve the daily peak demand.

² “Reliability and Resource Adequacy Study - 2022 Update,” Newfoundland and Labrador Hydro, October 3, 2022, vol. I, sec. 6.0, p. 33/14–24.

- 1 process and may not conclude until Hydro has multiple years of operational data for the
- 2 Labrador-Island Link.