

- 1 Q. Please provide a summary of Hydro’s current capacity assistance contract terms for Vale
2 and Corner Brook Pulp and Paper Limited.
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- 5 A. Table 1 provides a summary of Newfoundland and Labrador Hydro’s current capacity
6 assistance contract terms for Vale Newfoundland and Labrador Limited (“Vale”) and Corner
7 Brook Pulp and Paper Limited (“CBPP”).

Table 1: Summary of Current Capacity Assistance Contract Terms

Provider	Contracted Capacity	Rate Structure	Conditions
Vale Load Curtailment	6 MW	Fixed: \$7/kW per month for each of the four winter months of December through March for the 2018–2019 winter (total of \$168,000) Variable: \$0.20/kW per hour for the maximum assistance provided	<ul style="list-style-type: none"> • Notification Period: 60 minutes • Interruption Period: 3 hours (minimum) to 6 hours (maximum) • Maximum Number of Curtailments: 2 per day, 10 per winter • Total Assistance Period: 50 hours per winter • Penalties: Three Strike Clause¹ • Winter Period: 1-Dec to 31-Mar • Expiry: 31-Mar-2019² • Tested Annually: 6 MW planned to be available for Winter 2019–2020
Vale Generation	Up to 8 MW	Fixed: \$7/kW per month for each of the four winter months December through March for a total maximum of \$442,000 Variable: Cost of fuel	<ul style="list-style-type: none"> • Notification Period: 20 minutes • Maximum Assistance Period: 6 hours • Maximum Number of Requests: 2 per day, 20 per winter • Total Assistance Period: 100 hours per Winter • Penalties: Three Strike Clause • Winter Period: 1-Dec to 31-Mar • Expiry: 31-Mar-2019³ • Tested annually: 7.6 MW planned to be available for winter 2019–2020

¹ If the customer fails to provide the requested assistance, the fixed fee is reduced by 50% in the first instance. For the second failure to provide load curtailment, the fixed fee is reduced by a further 25%. If the customer fails to provide load curtailment three times during the winter, 100% of the fee is forfeited.

² The contracts with Vale were in effect for winter 2018–2019 and it has yet to be determined if they will be needed for winter 2019–2020.

³ The contracts with Vale were in effect for winter 2018–2019 and it has yet to be determined if they will be needed for winter 2019–2020.

Provider	Contracted Capacity	Rate Structure	Conditions
CBPP	Up to 105 MW in the following increments <ul style="list-style-type: none"> • 20 MW • 40 MW • 60 MW • 90 MW • 105 MW 	Fixed: \$4.75/kW per month for each of the six winter months November through April for a total of \$2,565,000 Variable: A minimum of \$0.20/kW per hour to a maximum of \$0.26/kw per hour for the maximum assistance provided as determined on the following sliding scale: <ul style="list-style-type: none"> • 0 to 7.5 GWh/Winter Period – 90% of GTVC;⁴ • Greater than 7.5 to 100 GWh/Winter Period – 80% of GTVC. For requests above 90 MW there is a \$0.06/kWh premium	<ul style="list-style-type: none"> • Notification Period: 10 minutes • Interruption Period: 4 hours (minimum) to 6 hours (maximum) • Maximum Number of Curtailments: 2 per day, 60 per winter • Total Assistance Period: 250 hours per Winter • Winter Period: 1-Nov to 30-Apr (Annually) • Penalties: Three Strike Clause • Expiry: 30-Apr-2022 or the date of commissioning of the Muskrat Falls Generating Plant, whichever is earlier • Tested annually: 104 MW planned to be available for winter 2019–2020

⁴ GTVC = the previous month’s Gas Turbine Variable Cost as provided on CBPP’s monthly invoice and expressed as a cost per kWh.