

1 Q. Reliability and Resource Adequacy Study 2022 Update, Volume III, page 5, line 2 states:

2 “Planning is underway for additional stakeholder engagement actions...”.

3 The Action Plan in Volume III, page 54, includes, “Execute a stakeholder engagement process in
4 2023.”

5 The brochure, “Planning for Today, Tomorrow, and the Future,” states on page 7 that “Hydro
6 expects to launch a customer engagement initiative in 2023, focused on determining the value
7 of additional reliability to customers.”

8 **a)** Describe the relationship between these three activities, and the intended scope,
9 methodology, schedule, participants, and expected results of these processes;

10 **b)** Explain whether this process, or either of these processes if different, addresses the value of
11 lost load substantively and quantitatively and why or why not;

12 **c)** Explain how the results of this process, or either of these processes if different, inform the
13 decisions the resource adequacy review is intended to make or support; and

14 **d)** Explain how will the timing of this process, or either of these processes if different, coincide
15 with 2023 or subsequent resource adequacy reviews.

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18 A. **a)** The intent of the stakeholder engagement is to continue the dialogue regarding electricity
19 expectations from customers and stakeholders.

20 Similar to 2018, a two-pronged approach will be implemented; the first of which will be
21 digital engagement with residential and small commercial customers in early 2023, along
22 with one-on-one consultation with key stakeholders.

23 The digital approach uses public engagement principles and an opt-in method, allowing all
24 residents in the province to join the conversation; as such, quotas for data collection will not
25 be put in place.

1 In 2018, the actual breakdown of respondents closely aligned with the true population
2 distribution in the province. The methodology mirrors that which was used in 2018 to
3 ensure we can compare the 2023 data to 2018 data sets. These practices are consistent with
4 engagement activities used by other utilities across Canada based on Hydro's analysis.

5 Hydro's intent is to replicate the digital component every three years with focused
6 engagement activities annually using Hydro's feedback panel or omnibus research tools for
7 specific aspects of the Reliability and Resource Adequacy Study, such as gathering feedback
8 on specific options. Results are expected to be published with the Reliability and Resource
9 Adequacy Study – 2023 Update.

10 Through this customer engagement initiative, expectations for reliability, cost, customer
11 options, and rate design will be gathered and will be used to inform recommendations.
12 Hydro values the importance of seeking customer input for consideration and decision-
13 making purposes. Customer input, along with analysis and evidence, assists Hydro in making
14 informed decisions about the future of electricity in the province.

15 **b)** A section of the digital engagement process focuses on gathering perspectives on balancing
16 cost and reliable service, including what duration and frequency of lost load is acceptable.
17 This is a quantitative analysis. For the 2023 engagement, the methodology has been
18 updated to incorporate additional questions specific to outages and under frequency load
19 shedding events. Based on the analysis of the initial data, further consultation and issue-
20 specific research is expected to provide more qualitative analysis, providing additional
21 context and depth of analysis. The one-on-one consultations add an additional layer of
22 qualitative information from our key stakeholders.

23 **c)** Hydro's stakeholder engagement is intended to ascertain the value of additional reliability
24 to customers to help us, along with a variety of other inputs, analyses, and evidence, make
25 the appropriate decisions and recommendations regarding the province's electrical system.
26 The customer engagement undertaken for the 2018 "Reliability and Resource Adequacy
27 Study"¹ gathered expectations for reliability, cost, customer options, and rate design and
28 was considered when forming Hydro's recommendations. While the 2023 customer

¹ "Reliability and Resource Adequacy Study," Newfoundland and Labrador Hydro, rev. September 6, 2019 (originally filed November 16, 2018).

1 engagement process has not yet been fully outlined or executed, it is reasonable to assume
2 similar input will be sought.

3 **d)** As per part a) of this response, the digital engagement process is expected to commence in
4 early 2023. It is expected to be in the market for six weeks to gather public perspectives. The
5 results of this engagement will be included in the 2023 Update. One-on-one stakeholder
6 consultations have commenced and will be an ongoing and perpetual part of
7 communications around the Reliability and Resource Adequacy Study. A summary of what
8 was heard during these discussions for the year will also be included in the 2023 Update.