1 Q. References: Volume I, 2019 – 2023 Capital Plan, Appendix A 2 How does Hydro's annual transmission planning assessment process input into its annual capital budget application process? For example, please identify and 3 4 comment on any projects in the 2019 - 2023 Capital Plan that are discussed as cases 5 in the presentation requested in Request for Information NP-NLH-003. 6 7 8 A. Hydro's annual transmission planning assessment process and its inputs into the 9 Capital Plan are defined in the NL Transmission Planning Process, posted on the 10 Newfoundland and Labrador System Operator's (NLSO) Open Access Same-time Information System (OASIS), and as illustrated in Figure 1. 11 12 13 Section 5.4 of the NL Transmission Planning Process defines the process as follows: 14 The NLSO shall perform, prior to March 31, an annual assessment to 15 identify the potential need for investments in transmissions facilities 16 and other items that may be required to maintain the reliability of 17 the Newfoundland and Labrador Interconnected System, and to 18 reduce the costs associated with transmission congestion. Where 19 applicable, the annual assessment shall identify the impact of 20 existing and emerging shortfalls of transmission capacity on the 21 Newfoundland and Labrador Interconnected System, any significant 22 existing, emerging or potential transmission congestion, the impact 23 of the connection of a new or modified facility, and the adequacy of

<sup>1</sup> https://www.oasis.oati.com/NLSO/NLSOdocs/NL Transmission Planning Process.pdf

interconnections.

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Where the NLSO has identified the need to alleviate existing or emerging transmission congestion on the Newfoundland and Labrador Interconnected System, it shall develop and study technically feasible options for alleviating the constraint in consultation with existing and potential Interested Parties.

At the end of this process, the preferred technical alternative shall be provided to Hydro's Office of Asset Management for inclusion into the Capital Plan through its normal processes to develop the Capital Budget.

The NLSO completed its first annual assessment in March of 2018 and the outcomes were such that no additions to the "2019-2023 Capital Plan" were required on the basis of the analysis.

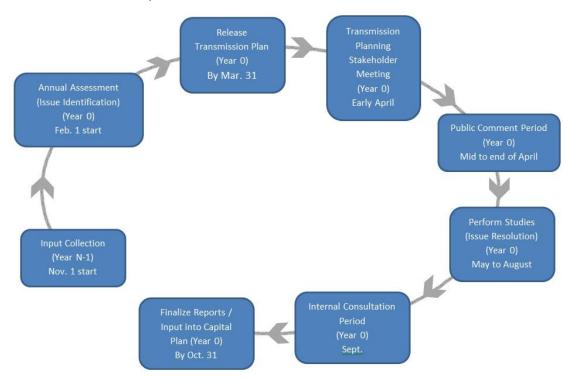


Figure 1: Transmission Planning Schedule