Q. Reference: Schedule 1 - Capital Expenditures Necessary to Address Supply in Charlottetown and Pinsent's Arm, Labrador, Page 4.

To mitigate the significant reliability risks associated with mobile generation, the limited availability of suitable and economical rental units, and the long lead-time associated with procurement of a new mobile genset, Hydro is proposing to increase the level of redundancy from N-1 to N-2 in Charlottetown.

Assuming Hydro proceeds with the acquisition of the used LCP genset, please describe how Hydro would address another generator failure in its remote diesel systems. In the response, please detail any existing mobile generation units that could be utilized as replacement units during such an occurrence.

A.

Newfoundland and Labrador Hydro's ("Hydro") firm capacity criteria states that each diesel generating station must be capable of serving peak load following the loss of a single diesel genset (N-1 redundancy). Currently, all Hydro-owned mobile units are in use and required in specific locations to meet firm capacity In the event of an emergency or capacity shortage situation. Hydro could possibly relocate Unit 2090 from Mary's Harbour; however, this could only occur if the Mary's Harbour fish plant is not in operation (May to October). If Unit 2090 were to be relocated during the winter season, it must be returned to Mary's Harbour prior to May when the fish plant starts operation. There is also the possibility of relocating a mobile unit from L'Anse-au-Loup during the summer season; however, this would present voltage differences and would also have to be returned to L'Anse-au-Loup prior to the winter season when the system experiences peak load conditions. The most likely and prudent solution in the event of another mobile failure is to rent a mobile genset from a local supplier, depending on availability, as this would not disrupt diesel generating station operation in other communities.