

1 **Q. Reference: November 30, 2022, Hydro Presentation**

2 **LIS Non-Firm Rate & Pricing**

3 With respect to Slide 23:

4 **a)** What are the names of the nine parties which have made application for the non-firm  
5 capacity to be made available in Labrador East and West and the quantities of power  
6 they have requested?

7 **b)** Which of these are still current? Have any indicated that they will not be proceeding?  
8 Have any been eliminated? If so, why?

9 **c)** Who are the customers to be provided with the non-firm capacity? Has any already  
10 been allocated? If so, to whom, in what quantities and when?

11 **d)** If all of the non-firm power is not taken up what appears to be four assumed customers,  
12 is it still Hydro's intent to make it available first to existing non-firm customer in  
13 accordance with term 16 of on page 3 of Schedule 2 of the Application.

14 **e)** What is the name of the additional cryptocurrency operation requesting non-firm  
15 service that Hydro deems to be not unreasonable? Is it included in either the nine  
16 customers or the four among whom the non-firm power is proposed to be distributed?  
17 When was the application submitted? How much power was requested? Why does  
18 Hydro deem the request "not unreasonable"? Has Hydro deemed any of the other  
19 customers unreasonable? If so, why?

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22 **A. a)** Newfoundland and Labrador Hydro ("Hydro") cannot disclose individual customer  
23 information.

24 On June 30, 2021, Hydro filed with the Board of Commissioners of Public Utilities a report  
25 with respect to the feasibility of the addition of a non-firm rate option to the Network  
26 Additions Policy outlining the capacity which could potentially be made available on a non-

1 firm basis as well as considerations regarding the required attributes of potential non-firm  
 2 service.<sup>1</sup>

3 In the fall of 2021, Hydro solicited applications from interested customers and received  
 4 seventeen requests for total capacity which exceeded available non-firm capacity for all  
 5 seasons in both Labrador East and Labrador West. Table 1 compares non-firm capacity  
 6 requested to non-firm capacity available (in MW).

**Table 1: Non-Firm Capacity Requested vs. Available**

	<b>Winter December to March</b>	<b>Spring April to June</b>	<b>Summer July to September</b>	<b>Fall October to November</b>
<b>Labrador East</b>				
Total Available	28	42	58	38
Total Requested	199	224	236	217
<b>Labrador West</b>				
Total Available	20	50	50	50
Total Requested	121	211	211	211

7 In late 2021/early 2022, Hydro proceeded to request non-firm applicants to provide  
 8 deposits and enter into non-firm system study agreements. Subsequent to this process, the  
 9 seventeen initial applications were reduced to nine applications (eight applicants withdrew  
 10 from the process). The remaining nine applicants requested Hydro make a total of  
 11 294.5 MW of non-firm capacity available (an average of 33 MW per application).

12 **b)** Of the nine applications that remained interested in the non-firm rate option, one further  
 13 application was withdrawn by the applicant; none were eliminated by Hydro. Eight  
 14 applications for non-firm service remain active.

15 **c)** As noted above, Hydro cannot provide the identity of individual customers. As also noted  
 16 above, as the Non-Firm Rate Application is still under review, no non-firm capacity has been  
 17 allocated.

<sup>1</sup> "Feasibility of the Addition of a Non-Firm Rate Option to the Network Additions Policy for the Labrador Interconnected System," Newfoundland and Labrador Hydro, June 30, 2021.

1           **d)** Hydro intends to honour Term 16 of the Rate No. 5.1L Non-Firm Energy.<sup>2</sup> At this time, there  
2           are no non-firm customers in Labrador as the non-firm rate option proceeding is still  
3           ongoing.

4           **e)** Since Hydro has determined it will not provide firm service to cryptocurrency operations,  
5           two<sup>3</sup> cryptocurrency operations that initially requested firm service have requested to be  
6           considered for non-firm service. Hydro believes it may be reasonable to consider these  
7           proponents given that the terms of service availability have changed since their initial  
8           requests were submitted.

9           Hydro cannot identify the individual proponents; additionally, as no official applications  
10          have been filed to date, Hydro cannot advise of the amount of power that would be  
11          requested.

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<sup>2</sup> Provided in "Application for a Non-Firm Rate for Labrador," Newfoundland and Labrador Hydro, September 15, 2022, sch. 2, p. 3 of 3.

<sup>3</sup> A second inquiry was made since Hydro provided the presentation.