

1 Q. **Reference: Application, Volume III, Exhibit 16, Attachment 1, NLH Effective Load Carrying**
2 **Capability Study, Table 4.**

3 Hydro states it is expecting to enter into a capacity assistance program with MUN in 2026 for up
4 to 21.7 MW across the year for 4 hours where the total number of calls cannot exceed 20 calls
5 annually and notes the terms of the agreement have not been finalized.

6 a) Can Hydro provide any updates on the timing or terms of capacity assistance
7 agreement?

8 b) Is MUN currently a customer of Hydro or Newfoundland Power? If Newfoundland
9 Power, please explain why the capacity assistance program agreement would be with
10 Hydro and not Newfoundland Power?

11 c) Please confirm if the 21.7 MW relates to fuel switching to dual-fuel electric boilers. If
12 not, please describe the nature of the 21.7 MW capacity assistance value.

13 d) Please explain why Hydro proposes to limit the number of calls to 20 calls annually. In
14 particular, if calling on the capacity assistance from MUN requires MUN to switch to
15 back-up fuel systems, please explain why this action would need to be limited to 20
16 times per year.

17 e) Has Hydro reflected the MUN capacity assistance program in its 2027 cost of service
18 study? If so, please explain how it has been reflected. If not, please explain why not.

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21 A. a) The Memorial University of Newfoundland ("MUN") electric boilers have not yet been
22 commissioned. Newfoundland and Labrador Hydro ("Hydro") understands that
23 Newfoundland Power Inc. ("Newfoundland Power") has been working with MUN to
24 establish a Capacity Assistance Agreement with MUN once the electric boilers are
25 commissioned. This is expected to be prior to the 2026–2027 winter season.

1 **b)** MUN is a customer of Newfoundland Power and therefore the agreement will be between
2 MUN and Newfoundland Power. Hydro expects it would request curtailment of MUN load in
3 the same manner it requests Newfoundland Power to curtail load under its Curtailable
4 Service Option.

5 **c)** It is confirmed.

6 **d)** Please refer to Hydro's response to part a). The terms of an agreement have not yet been
7 finalized. In the absence of a finalized agreement, Hydro assumed the same general terms as
8 Newfoundland Power's Curtailable Service Option for the purposes of the Effective Load
9 Carrying Capacity ("ELCC") Study. This assumption will be modified to reflect the finalized
10 terms in a future ELCC Study update.

11 **e)** Hydro has not reflected the MUN capacity assistance program in the 2027 Cost of Service
12 Study since the boilers are not in service and the value of the credit has not been finalized.