

Q. **Reference: 2026 GRA – Volume 1, p. 40 pdf**

Citation #1:

“On the Labrador Interconnected System, Hydro supplies customers in Labrador East and Labrador West with Recapture Energy and TwinCo Block Energy purchased from Churchill Falls.”

Citation #2:

2017 GRA Revision 5 – Volume 1, Chapter 5

“Labrador West transmission is nearing its capacity limitations. The cost of providing new transmission to meet load growth on the Labrador Transmission System is high and can materially impact future customer rates.” (p.5.35)

Citation #3:

Labrador Interconnected System Transmission Expansion Study – Appendix B: Transmission System Analysis Future Supply of Labrador West – Table 4

Table 4: Overview of CPW of Alternatives and Transfer Capacity

Alt.	Description	Forecast (MW)	Winter Firm Capacity (MW)	Non-Firm Capacity (MW)	Estimated Cost (\$ million)	CPW (\$ million)
1	Status Quo (without Tacora)	<350	252	350	1.43	1.21
2	Status Quo with Curtailment (Baseline)	383	252	350	1.82	11.62
3	Status Quo with Curtailment (Low Incremental)	434	252	350	1.82	51.42
4	WTS Upgrades (Baseline)	383	252	421	15.12	13.22
5	WTS Upgrades (Low Incremental)	434	252	454	31.66	27.60
6	230 kV Line from CF ¹⁴ to Wabush	434	434	527	251.24	202.53
7	230 kV Line from CF to FLK (230/46 kV)	434	434	528	272.82	221.21
8	315 kV Line from BLK to FLK (315/230 kV)	434	434	514	141.40	151.67
9	315 kV Line from BLK to FLK (315/230/46 kV)	434	434	502	146.99	154.56
10	315 kV Line from CF to FLK (315/230/46 kV)	434	434	574	335.86	282.34
11	315 kV Line from CF and BLK to FLK (315/230/46kV)	434	473	563	397.97	373.53
12	250 MW Monopole from BLK to FLK	434	453	585	347.90	326.58
13	250 MW BtB Converter at BLK – 230 kV Line from BLK to FLK	434	434	612	233.16	205.03
14	250 MW BtB Converter at BLK – 230 kV Line from BLK to WTS	434	434	603	216.70	190.93
15	200 MW Gas Turbine	434	482	573	589.20	634.50
16	230 kV Line to FLK (230/46 kV)	499	499	636	279.72	214.78
17	315 kV Line from BLK to FLK	499	499	600	153.15	148.09

1 Citation #4:

2 Labrador West Transmission Expansion Study ([https://nlhydro.com/about-us/our-electricity-](https://nlhydro.com/about-us/our-electricity-system/major-projects/labrador-west-transmission-expansion/)
3 [system/major-projects/labrador-west-transmission-expansion/](https://nlhydro.com/about-us/our-electricity-system/major-projects/labrador-west-transmission-expansion/))

4 “The first phase of this study identified a single 735 kV transmission line as the preferred
5 solution which will allow for a maximum power transfer limit of approximately 1500 MW.”

6 Preamble:

7 In the 2017 GRA, there was considerable discussion of transmission constraints on the Labrador
8 West system, of their implications for system reliability and of the potential rate implications of
9 system expansion to address these issues. Yet, there is no mention of these issues in the 2026
10 GRA.

11 Recently, Hydro initiated a new Labrador West Transmission Expansion Study for which the
12 preferred alternative is a 735 kV from Churchill Falls to Labrador West, including a new Flora
13 Lake substation. Though this asset would not enter the rate base prior to the 2027 test year,
14 ongoing costs are being incurred by Hydro and will continue for several years. In the
15 Transmission Expansion Study filed pursuant to the Network Additions Policy, none of the
16 potential options to address these constraints involved transmission above 315 kV. The cost of a
17 735 kV line would be materially higher than any options previously considered in documents
18 filed by Hydro before the Board. This raises concerns of a substantial rate shock for LIS
19 customers in the not-too-distant future.

20 **a)** Please indicate which of the alternatives listed in Citation #3 are currently being
21 explored, and in which proceedings NLH has filed relevant materials with the Board for
22 its information, review or approval.

23 **b)** Please provide:

24 **i.** Current load forecasts for Labrador West (reference, low and high scenarios);

25 **ii.** updated descriptions of the current preferred alternatives for meeting medium-
26 term and long-term growth in Labrador West;

1 iii. descriptions of the criteria used to evaluate these alternatives; and

2 iv. an explanation of how Hydro arrived at the proposed 735 kV Labrador West
3 Transmission Expansion as the preferred alternative for meeting long-term
4 growth in Labrador West.

5 c) Please confirm that NLH has not yet filed with the Board any materials for its
6 information, review or approval pertaining to Hydro's preferred 735 kV transmission line
7 for serving Labrador West.

8 d) Please indicate at what point in time Hydro anticipates filing with the Board any
9 materials for its information, review or approval pertaining to Hydro's preferred 735 kV
10 transmission line for serving Labrador West.

11 e) Please indicate whether any costs pertaining to Hydro's preferred 735 kV transmission
12 line are entering deferral accounts previously approved by the Board in the prior GRA or
13 in another proceeding before the Board.

14 f) If not in this proceeding, in which proceeding will these issues be addressed by NLH and
15 the Board?

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18 A. Newfoundland and Labrador Hydro ("Hydro") is currently working with proponents and
19 assessing transmission expansion options in both western and eastern Labrador and is exploring
20 options to meet proposed capacity requirements. Hydro remains in the feasibility stage of
21 developing a long-term plan to address the potentially significant volume of load requests. The
22 scope and content of any future applications have not yet been fully established and will be
23 informed by the results of the transmission feasibility studies currently underway. Any future
24 applications do not have implications for the proposals within Hydro's 2026 General Rate
25 Application ("GRA") regarding the 2027 Test Year.

26 Hydro assesses its plan to meet resource adequacy and system reliability requirements within
27 the ongoing *Reliability and Resource Adequacy Study Review* proceeding ("*RRA Study Review*")

1 before the Board of Commissioners of Public Utilities, and Hydro will address expansion
2 requirements on the Labrador Interconnected System in a future filing as part of the *RRA Study*
3 *Review*. It is Hydro's opinion that the information requested is not necessary for a satisfactory
4 understanding of the matters to be considered in the 2026 GRA as required by the *Board of*
5 *Commissioners of Public Utilities Regulations, 1996*.