

1 Q. **Reference: Volume I, Section 6.2.3, Section 6.11, and Volume 3, Exhibit 20, Issue Topic:**
2 **Newfoundland Power Generation Credit**

3 To meet Newfoundland Power's Generation Credit, please explain whether demonstrating
4 higher capacity in one component of the generation credit (i.e. hydraulic) can be used to offset
5 lower generation capacity in the other component (i.e. thermal) due to an unexpected plant
6 outage.

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9 A. The proposed determination of the thermal generation credit and the hydraulic generation
10 credit are based on two separate methodologies. As the hydraulic generation credit is calculated
11 over a five-year historical period, an unexpected plant outage should not materially impact the
12 five-year average. It is not Newfoundland and Labrador Hydro's view that during testing one can
13 be used to offset the other due to temporary unforeseen circumstances.