

1 Q. **Reference: Volume I (3rd Revision), Chapter 6: Supplemental Evidence**

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3 Once interconnections to Labrador and Nova Scotia are complete, and before
4 commissioning of the Muskrat Falls hydroelectric development, does Hydro expect
5 to make use of reserve sharing opportunities, for emergencies or other purposes,
6 with Maritime utilities or Hydro Quebec? If so, please explain how this would occur
7 and the impact it would have on the Off-Island Production Deferral Account.

8 (Volume I (3rd Revision), Chapter 6: Supplemental Evidence)

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11 A. Hydro is continuing to pursue opportunities relating to reserves and other
12 operational benefits associated with the interconnections to neighbouring utilities.

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14 To date, Hydro has established an Interconnection Operators Agreement with Nova
15 Scotia Power Inc. This agreement does not allow for reserve sharing. Rather, the
16 agreement contains provisions for reserve assistance, which allows for short-term¹
17 capacity, up to 100 MW.

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19 Given the temporary nature of reserve assistance, Hydro will maintain its existing
20 spinning reserve practices. The Interconnection Operators Agreement therefore
21 does not provide a benefit with respect to the Off-Island Purchases Deferral
22 Account. However, the reserve assistance arrangement will provide a significant
23 reliability benefit. The agreement allows for the Maritime Link HVdc system to
24 respond instantaneously and provide capacity from Nova Scotia for events such as

¹ Energy activated following a contingency will be made available for a period of up to thirty minutes from the time the reserve is requested.

1 those involving the loss of generation. This will reduce the number of
2 underfrequency load shedding events.

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4 Hydro is in preliminary discussion with Hydro Quebec with respect to
5 interconnected operations. Opportunities relating to reserves and other operational
6 benefits will be explored as discussions progress.