

1 Q. Reference: *Purchase 12MW of Diesel Generation (Revised)*, Page 2, Lines 3-6.

2

3 *“Hydro issued its most recent Generation Adequacy Report in September of 2015.*

4 *The analysis introduced new generation planning criteria that generation capacity*

5 *must be sufficient to maintain a reserve of at least 240 MW based on a P90 peak*

6 *load forecast for the Island Interconnected System.”*

7

8 What is Hydro’s forecast reserve margin for the winter of 2016-2017 and the winter

9 of 2017-2018 based on a P90 forecast and will the minimum 240 MW reserve

10 margin be violated in either winter?

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12

13 A. Hydro’s forecast reserve margins for Winter 2016-17 and Winter 2017-18, based on

14 the most recent P90 load forecast and Hydro’s current assumptions¹ regarding

15 Island Interconnected System capacity, are included in the table below. Under these

16 assumptions, the 240 MW reserve margin is not violated in either winter.

17

| Winter | IIS P50 Peak ¹ | IIS P90 Peak (+57 MW) | Capacity at Peak | w/ Voltage Reduction (+20 MW) | w/ Capacity Assistance (+96 MW) | Reserves (MW) |
|------------------------|---------------------------|-----------------------|------------------|-------------------------------|---------------------------------|---------------|
| 2016 - 17 | 1741 | 1798 | 2008 | 2028 | 2124 | 326 |
| 2017 - 18 ² | 1765 | 1822 | 2008 | 2028 | 2124 | 302 |

1. Source: System Planning - Customer Winter Peak Demand Forecast
Island Interconnected System (60 Hz) -November 9, 2015
2. Assumes Isolated Island - No connection to Labrador or Nova Scotia

¹ Hydro’s current assumptions do not reflect any potential changes to Holyrood capacity or availability. Holyrood’s expected capacity and availability are currently under review.