Green Power
Enel Atlantic Canada Limited Partnership
c/o NeWind Group Inc.
1255 rue Université, Suite 1204
Montreal (Quebec) H3B 3W9
Tel: (514) 397-0463 Fax: (514) 397-0284

Montreal, May 8th, 2014 **Sent by email**

Mrs. Cheryl Blundon
Director of Corporate Services and Board Secretary
Board of Commissioners of Public Utilities
E-mail: ito@pub.nl.ca

Re: Comments to Liberty Consulting Group Report "*Supply Issues and Power Outages Review Island Interconnected System*"

Mrs. Blundon,

Enel Atlantic Canada Limited Partnership ("EACLP") is the owner and operator of the 27MW St. Lawrence Wind Power Project on the Burin peninsula. EACLP read with great interest the Liberty Consulting Group report *Supply Issues and Power Outages Review Island Interconnected System* (the "Report") made available by the PUC on April 24, 2014. EACLP wishes to provide some comments and suggestions which can be summarized as follows:

a) The St. Lawrence Wind Power Project would have been able to support the grid during part of the 2014 outage, if the grid had been able to accept the power from the project,

b) EACLP is able and willing to increase the installed capacity of the project from 27MW to approximately 54MW and commission the expansion in the Summer or Fall 2015, well before the 2015 – 2016 Winter. This timeline is however only possible if the permits are granted in an expeditious manner and the existing Power Purchase Agreement ("PPA") amended to Nalcor and EACLP mutual satisfaction.

c) The project expansion was planned by EACLP during the first phase of the project and the existing Ryan Hill substation and the Transmission line from this substation to Newfoundland Power's Laurentian substation is designed to accommodate this additional capacity, rendering our proposed timeline very credible, and,

d) EACLP suggests that this additional capacity on the Island would be a good complement to NLH's proposed 100MW CT at Holyrood by dispersing the supply and increasing the renewable

energy component of the Island energy mix. Even after the commissioning of Lower Churchill and the link to Nova Scotia, energy generation from the Project will remain a contributor of renewable energy at a very competitive rate.

Discussion:

The Report refers to the inability of the wind farms to support the grid due to high winds:

> The Events of January 2nd, 2014 (Report pages 26 of 95): *The two wind projects went offline on January 3rd at the start of the storm and did not return to service until January 8th.*
>
> Wind Turbine (Report pages 31 of 95): *On January 3rd, high winds forced the tripping of the wind turbines, which caused a loss of 54 MW. Hydro explains that the bad weather contributed to access problems. The units could not be restored until January 8th.*

EACLP internal reports support a somewhat different view of the events and the PUC should know that our operations staff at the St. Lawrence wind power project was never contacted to provide their input to the Report. Second, EACLP cannot comment on the events taking place on the Island's second wind power project. Lastly, it is important to note that wind turbines require an active grid power supply to operate normally. EACLP placed its turbines into standby mode as weather conditions were too extreme on January 3rd, 2014 at 20:20. The Province wide grid outage started January 4th at 11:10 and the electricity supply to the project was terminated and, consequently, the turbines were offline until January 5th at 13:30, at which point grid power was re-established and the project substation was re-energized. As the turbines were without power for approximately 14 hours, inspection of the nacelles and transformer equipment and a period of re-heating were required to ensure the safe operation of the equipment upon grid re-energization. The St. Lawrence wind project was once again back producing electricity on the grid on January 6th. EACLP suggests that, had it not been for the grid outage of January 4th, the St. Lawrence wind power project would most likely have been supplying electricity to the grid during the bulk of the rolling outage event.

Additional capacity on the grid before the winter of 2015-2016

EACLP suggests that it is able to increase the St. Lawrence installed capacity to 54MW by the summer or the fall 2015, well before the winter 2015-2016, if it receives the necessary permits and enters into the necessary power purchase agreement with Nalcor in an expeditious manner. The necessary permits and agreements are listed below and the proposed layout of the wind project expansion that EACLP has already assessed and validated is shown as Attachment A.

The necessary permits and agreements are:

1. NALCOR – Amendment to the existing St. Lawrence PPA.
2. Newfoundland Dept. of Environment and Conservation – Environmental Assessment/Statement signoff.
3. Newfoundland Dept. of Environment and Conservation: Crown Lands – Land Lease for wind project lands, Easement for any new transmission lines and a Permit to Occupy for any new roads.

4. Newfoundland Power: Amendment to the existing Operations Agreement.
5. NavCanada & Transport Canada
6. Town of St. Lawrence Construction Permit:

During the design and construction of the first phase of the St. Lawrence project, the Ryan's Hill substation and the transmission line from the Ryan's Hill substation to Newfoundland Power's Laurentian substation were both designed to accommodate the proposed project expansion. Given that the existing Interconnection is able to accommodate the proposed new capacity with limited modification to the protection relays and other protection equipment, the commissioning timeline for the proposed expansion can be significantly reduced, compared to another project. Furthermore, as we would be using the same generating equipment as for the first phase built by Pennecon Limited and other Newfoundland contractors, the foundation design and method of construction are already known.

The Town of St. Lawrence is very supportive to such expansion and EACLP and the Town have signed a Tax Agreement, for the first phase and this expansion, by which the Town has a vested interest in the project expansion.

The St. Lawrence Wind Power Project has been in full operation since January of 2009, and since that time has proved to be a reliable provider of renewable electricity to the provincial electricity grid. The St. Lawrence Wind Power Project has also proven to be one of the highest producing wind projects in Canada and it is expected that an expansion to the wind project, using current-generation wind turbine generators technologies, will add to this proven track record of electricity delivery, and continue to provide Newfoundland with a reliable source of renewable energy at a low risk to the ratepayer.

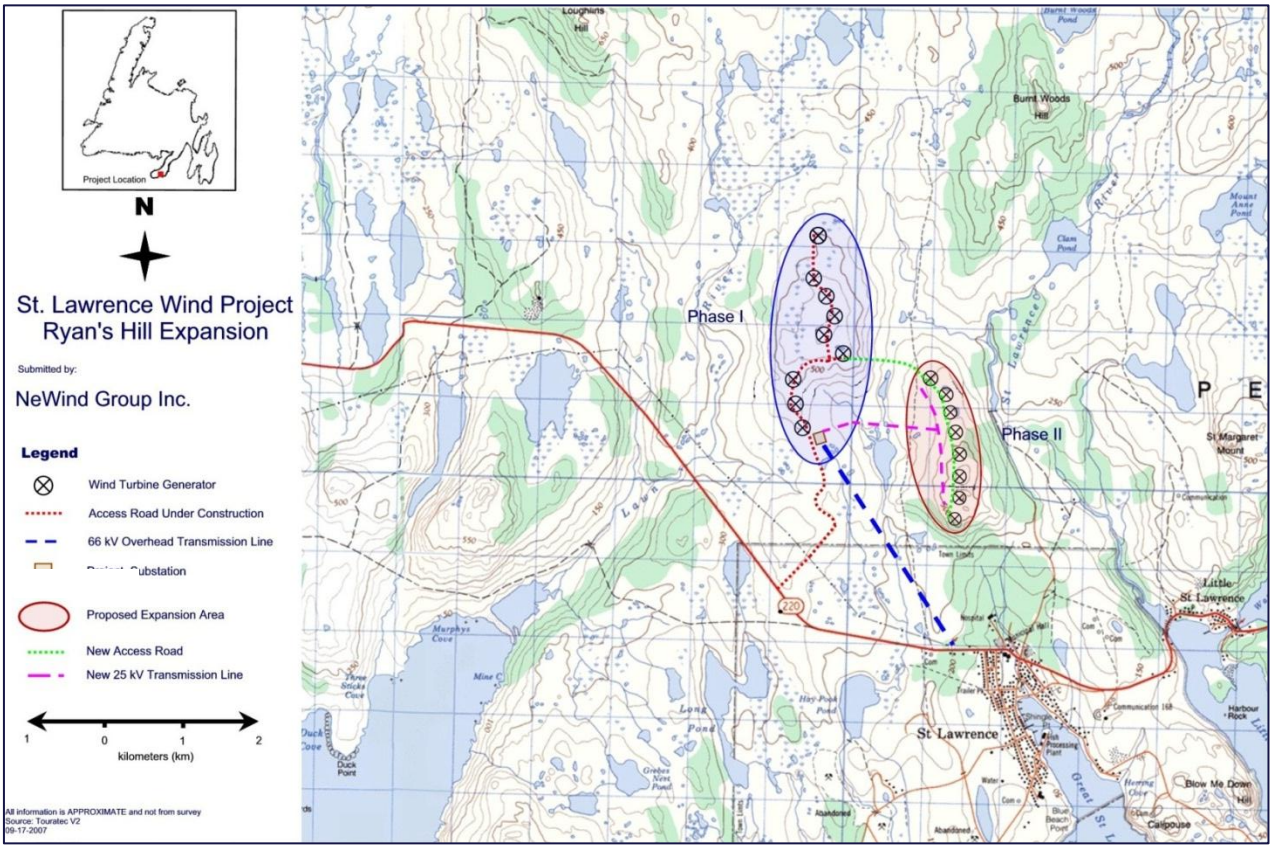
Please do not hesitate to contact me at the coordinates below should you wish to discuss the matters outlined in this letter in greater detail.

Regards,

_____

Pascal Brun, P. Eng.
President
Enel Atlantic Canada Limited Partnership
Tel: 514 397 0463 extension 224
Email: pascal.brun@enel.com

Attachment A: Sketch of St. Lawrence Wind Project: Ryan's Hill Expansion


Project Location
N
St. Lawrence Wind Project
Ryan's Hill Expansion
Submitted by:
NeWind Group Inc.
Legend
Wind Turbine Generator
Access Road Under Construction
66 kV Overhead Transmission Line
Proposed Expansion Area
New Access Road
New 25 kV Transmission Line
1 0 1 2
kilometers (km)
All information is APPROXIMATE and not from survey
Source: Touratec V2
09-17-2007
Phase I
Phase II
St. Lawrence
Little St. Lawrence
Burnt Woods Hill
Loughlins Hill
St Margaret Mount
Blow Me Down Hill
Calypouse
Duck Point
Three Sticks Cove
Murphys Cove
Mine C
Luna Pond
Hay Pond Pond
Clam Pond
Mount Anne Pond
Harbour Rock
P E