

- 1 **Q:** (Liberty December 17, 2014 Report to Board on *Supply Issues and Power*
2 *Outages Review Island Interconnected System* addressing Newfoundland and
3 Labrador Hydro) Conclusion 2.10 states (Appendix A, page A-1): “*Additional*
4 *new generation does not present a good option, unless new load materializes or*
5 *availability declines*”. Does it present a good option even under these
6 circumstances given: 1) that it will take some time before such situations
7 materialize and are recognized, 2) the time it takes to install new generation,
8 and 3) the scheduled Muskrat Falls in-service date of 2017?
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- 11 A. First, see the response to CA-PUB-5, which addresses the need for Hydro’s
12 planning activities to consider a robust range of uncertainty surrounding the in-
13 service date of Muskrat Falls. Second, new generation is not a desirable option for
14 a number of reasons, including the three noted in the question. We therefore agree
15 with the RFI’s implication that new generation is not a “good” option. That said,
16 risks exist that could make new generation the only viable option, apart from
17 accepting supply-related outages.