

1 **Q: Reference: Liberty Consulting Report, August 19, 2016, Review of**
2 **Newfoundland and Labrador Hydro Power Supply Adequacy and Reliability**
3 **Prior to and Post Muskrat Falls Final Report**

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5 **On pages 101 and 102 it is stated:**

6 *“In addition, Hydro’s desire to engage in market transactions with others in North*
7 *America brings the requirement of granting others access to the IIS.”*

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9 **Is the purpose of third party access to ensure open and equal access to the**
10 **transmission system in an unbundled electricity sector with multiple buyers and**
11 **sellers? In Liberty's opinion, what value is there in granting others access to the**
12 **IIS when Hydro is the only entity in the Province with the right to purchase and**
13 **sell power on the IIS while controlling all transmission on the IIS?**

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16 **A.** While Newfoundland and Labrador may theoretically open its system, and eliminate
17 the notion of Hydro as the only buyer and seller of electricity, Liberty believes there
18 would be no practical internal effect. The value gained would be the access to other
19 markets and the ability to buy and sell in other jurisdictions that already have
20 competitive wholesale markets.