

NEWFOUNDLAND AND LABRADOR BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

E-mail: shirleywalsh@nlh.nl.ca

2021-01-19

Ms. Shirley Walsh Senior Regulatory Counsel Newfoundland and Labrador Hydro P.O. Box 12400 Hydro Place, Columbus Drive St. John's, NL A1B 4K7

Dear Ms. Walsh:

Re: Newfoundland and Labrador Hydro - Reliability and Resource Adequacy Study Review - Information Required for Monthly Reports

In its letter dated November 21, 2019 the Board requested that Newfoundland Hydro (Hydro) provide further information on certain issues that were raised in The Liberty Group (Liberty) Eighth Quarterly Monitoring Report on the Integration of Power Supply Facilities to the Island Interconnected System (IIS). In its response on November 29, 2019 Hydro committed to provide monthly updates on the schedule status for the Muskrat Falls Project facilities (MFP) and the reasons for and implications for the IIS of any schedule changes. Hydro has filed monthly reports commencing January, 2020 with the most recent being filed on January 7, 2021.

Ongoing schedule delays for the in-service of the MFP and its integration with the IIS that arose in 2020 resulted in issues arising around the adequacy and reliability of power for the IIS for the winter of 2020-2021 given the unavailability of the Labrador Island Link (LIL). On May 25, 2020 the Board requested Liberty to undertake monthly monitoring and reporting on both the integration of the MFP with the IIS and Hydro's winter readiness for the winter of 2020-2021. The first monthly Liberty report was filed on August 5, 2020 and the last on December 18, 2020. As winter readiness activities for this winter period have concluded the Board determined that monitoring and reporting by Liberty will revert to quarterly at this time.

To assist with this monitoring the Board requires Hydro to continue filing monthly reports and to provide in each report, at a minimum, updated information on the following:

(1) The schedule and status of the interim and final bipole software, including any risks identified to completion. The commissioning of bipole software is currently expected to be complete on February 4, 2021 with trial operations at low load scheduled to commence on February 5, 2021. Final software is scheduled to be delivered to site by May 31, 2021 with commissioning commencing by July 31, 2021 and trial operations

- commencing by August 1, 2021. Any changes to this schedule must be reported immediately along with the implications of the change for the IIS.
- (2) LIL operation, including energy transferred in the month and any outages.
- (3) Beam replacement due to the valve hall flashover that occurred in 2020, including the status of manufacture and testing of the replacement beams, the schedule for replacement and the replacement plan.
- (4) LIL's sea electrodes, including the cause and extent of the damage that occurred in 2020, the repair plan and schedule for repair.
- (5) Synchronous condensers binding/vibration issues, including the assessment of the sufficiency of measures taken to date, the plans and schedule for further actions and the availability of other support for the network and converters before completion of remedial work.
- (6) Maritime Link availability and exports and imports in the month.
- (7) Muskrat Falls generation, including the schedule and status of remaining commissioning activities, risks to completion, outages and monthly output.
- (8) Progress and status of the Transition to Operations work.
- (9) COVID-19 implications for MFP completion and integration with the LIL.
- (10) Any system operations issues caused by the LIL or Muskrat Falls generation.
- (11) Status and schedule of remaining and additional studies related to the reliability and adequacy of power to the IIS.

If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Ms. Jacqui Glynn, by email, jglynn@pub.nl.ca or telephone (709) 726-6781.

Sincerely,

Cheryl Blundon
Board Secretary

CB/cj

ecc Newfoundland and Labrador Hydro

NLH Regulatory, E-mail: NLHRegulatory@nlh.nl.ca **Newfoundland Power Inc.**

 $Kelly\ Hopkins,\ E-mail:\ khopkins@newfoundlandpower.com$ $Gerard\ Hayes,\ E-mail:\ ghayes@newfoundlandpower.com$ $NP\ Regulatory,\ E-mail:\ regulatory@newfoundlandpower.com$

<u>Labrador Interconnected Group</u> Senwung Luk, E-mail: sluk@oktlaw.com Julia Brown, E-mail: jbrown@oktlaw.com Consumer Advocate

Dennis Browne, Q.C., E-mail: dbrowne@bfma-law.com Stephen Fitzgerald, E-mail: sfitzgerald@bfma-law.com Sarah Fitzgerald, E-mail: sarahfitzgerald@bfma-law.com Bernice Bailey, E-mail: bbailey@bfma-law.com

Industrial Customer Group

Paul Coxworthy, E-mail: pcoxworthy@stewartmckelvey.com Dean Porter, E-mail: dporter@poolealthouse.ca Denis Fleming, E-mail: dfleming@coxandpalmer.com