| 1 | Q. | W | hat agreements does NL Hydro have in place with Hydro Quebec for various Labrador and |
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| 2 | | Qı | uebec locations? |
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| 5 | Α. | Ne | ewfoundland and Labrador Hydro ("Hydro") currently has agreements with Hydro Québec for |
| 6 | | va | rious Labrador and Quebec locations, as described below: |
| 7 | | 1. | Hydro Québec sells energy generated at its Lac Robertson generating station, which is |
| 8 | | | surplus to the needs of its customers, to Hydro for use in the L'Anse-au-Loup system. These |
| 9 | | | purchases enable Hydro to reduce its diesel generation in the L'Anse-au-Loup system. |
| 10 | | 2. | The "Emergency Power Wheeling Agreement" provides both Hydro and Hydro Québec with |
| 11 | | | the ability to wheel power in the event of an extended outage impacting the usual supply to |
| 12 | | | Labrador West or Fermont, Québec. In such circumstances, the unaffected party will allow |
| 13 | | | the other party free use of its transmission assets to supply power to non-industrial |
| 14 | | | customers in the affected area. ¹ |
| 15 | | 3. | Hydro holds transmission rights through the Hydro Québec system, which are currently used |
| 16 | | | to deliver Recapture Energy to external markets. |

¹ The Churchill Falls (Labrador) Corporation and Twin Falls Power Corporation are also signatories to this agreement as, at the time of its signing, these corporations owned assets needed to supply electricity to Fermont, Quebec.