

- 1 Q. Further to the response to PUB-NLH-001, page 7 of 10, lines 2-6:
- 2 a) Given that the fire at the Charlottetown diesel generating station occurred in 2019 and
3 that Hydro has been working on a proposal for the long-term supply for southern
4 Labrador since the early 2000s, what are the circumstances that are prompting Hydro to
5 express some degree of urgency at this time?
- 6 b) The analysis in Hatch’s November 10, 2020 report entitled “Labrador Interconnection
7 Option Study – Final Report” showed status quo as the cheapest alternative. Hydro’s
8 own analysis shows that the proposed project will cost customers more than Alternative
9 1 until the mid-2030s. Do these analyses provide support for a possible deferral of the
10 proposed project? If not, please explain.
- 11 c) Please provide additional detail to support Hydro’s position that the existing
12 arrangement in Charlottetown would not be able to operate an additional winter season
13 even if it successfully operates through this upcoming winter?
- 14 d) Is there any circumstance where it would be possible to extend the operation of the
15 existing arrangement in Charlottetown safely and reliably for an additional three to five
16 years? If not, please explain.
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- 19 A. a) As indicated in Newfoundland and Labrador Hydro’s (“Hydro”) response to PUB-NLH-001 of
20 this proceeding, a fire occurred at the Charlottetown Diesel Generating Station in 2019 and
21 material capital investment is required to provide a sustainable source of supply for the
22 community. Following the fire, Hydro recognized the immediate need for a long-term supply
23 solution for the community of Charlottetown and began a review and update of the analysis
24 on its plan for the long-term supply for southern Labrador to address the need for a timely
25 solution. Hydro made its application for the long-term supply for southern Labrador
26 immediately following the conclusion of this analysis in 2021.
- 27 b) These analyses do not provide support for a possible deferral of the proposed project.
28 Hydro’s proposal is the least-cost solution in the long term and is consistent with Hydro’s

- 1 legislated requirements and rate-mitigation efforts. As indicated in Hydro’s response to LAB-
2 NLH-015 of this proceeding, the “Labrador Interconnection Options Study – Final Report”¹
3 was limited in scope in consideration of the detailed optimization of interconnection
4 solutions of the four southern Labrador communities. Rather, the analysis considered a
5 more general assessment of solutions for all Labrador communities. On this basis, the Hatch
6 report should only be used for determinations of the viability of larger-scale
7 interconnections as compared to continue isolated operation with renewable generation.
- 8 c) Please see Table 3 of the “Long-Term Supply Study for Southern Labrador: Economic &
9 Technical Assessment”² for detail on the deficiencies associated with the continued use of
10 mobile gensets in Charlottetown.
- 11 d) Safe and reliable continued operation of mobile gensets to serve the community of
12 Charlottetown would require the implementation of all work identified in Alternative 1 of
13 this application. Hydro’s analysis has determined that Alternative 1 is not consistent with
14 the provision of reliable, least-cost service.

¹ Please refer to Attachment 3 of Hydro’s response to LAB-NLH-015 of this proceeding.

² “Long-Term Supply for Southern Labrador – Phase 1,” Newfoundland and Labrador Hydro, July 16, 2021, sch. 1, att. 1.