

1 Q. **Reference: 2024 Resource Adequacy Plan, Appendix B, Page 40 of 57**

2 It is stated "*Given the continued uncertainty pertaining to LIL reliability, Hydro believes it to be*
3 *prudent to maintain a minimum regulating reserve of 70 MW within the Island Interconnected*
4 *System, whether or not the LIL is in service. This is subject to further review once operational*
5 *experience is gained with the LIL.*" In the time that has passed since that statement was made,
6 has Hydro undertaken further review of that minimum regulating reserve and, if so, what are its
7 conclusions?

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10 A. At this time, Newfoundland and Labrador Hydro ("Hydro") has not undertaken a fulsome review
11 of the minimum regulating reserve. Hydro expects that there will be improved continuous
12 frequency control functionality provided by the Labrador-Island Link ("LIL") following the latest
13 software upgrade, which is currently ongoing. Once this is implemented, Hydro will monitor in
14 the upcoming months to determine if it can allow for a lower minimum regulating reserve for its
15 on-Island units, while the LIL is online. It is expected that the monitoring period will require
16 experience for the full range of Island loads (from light loads to peak loads) to ensure that
17 system performance is not adversely impacted by this change. However, while the LIL bipole is
18 offline, the minimum regulating reserve must remain at 70 MW.