

1 Q. **Reference: Application**

2 According to a recent news report, Kruger Inc., the owner of Deer Lake Power, is in talks with
3 Hydro and the provincial government “for a long-term power purchase agreement that would
4 allow the construction of a wind energy farm and upgrades to its existing hydro electric assets.”

5 ([https://www.cbc.ca/news/canada/newfoundland-labrador/kruger-newsprint-future-](https://www.cbc.ca/news/canada/newfoundland-labrador/kruger-newsprint-future-9.7098874)
6 [9.7098874](https://www.cbc.ca/news/canada/newfoundland-labrador/kruger-newsprint-future-9.7098874)).

- 7 a) What is the anticipated size of this wind farm and the associated firm energy?
- 8 b) Would the potential upgrade to Kruger’s existing hydroelectric assets entail more
9 capacity? If so, how much?
- 10 c) How would such an arrangement affect the need for Hydro to complete the two
11 projects in its Build Application?
- 12 d) When does Hydro anticipate a conclusion to these talks?
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- 15 A. a) The Corner Brook Pulp and Paper Limited (“CBPP”) Diversification Project includes a
16 proposed 119 MW wind farm as part of an integrated portfolio of generation assets.

17 The project is expected to deliver approximately 876 GWh of annual energy and up to
18 148 MW of firm capacity to the Island Interconnected System.

19 Newfoundland and Labrador Hydro (“Hydro”) notes that the project is structured as an
20 integrated supply arrangement (including hydroelectric generation, wind, cogeneration, and
21 mill load flexibility), and the energy and capacity values reflect the combined contribution of
22 these resources, which are subject to review.

- 23 b) CBPP has proposed modernization of its existing hydroelectric facilities at Deer Lake as part
24 of the Diversification Project, which will result in incremental additional hydro capacity.
25 Hydro notes that the project is structured as an integrated supply arrangement (including

1 hydroelectric generation, wind, cogeneration, and mill load flexibility), and the energy and
2 capacity values reflect the combined contribution of these resources.

3 **c)** Discussions with respect to this possible arrangement are continuing. While those
4 discussions may ultimately result in an additional supply becoming available, there remain
5 numerous unresolved matters regarding nature, timing, capacity, commercial terms, and
6 likelihood of that resource.

7 **d)** Hydro does not have a confirmed timeline for concluding discussions between the
8 Government of Newfoundland and Labrador and CBPP/Kruger Inc.