

**NLH - Application for the Purchase and Installation of Bay d’Espoir Unit 8 and Avalon
Combustion Turbine (Avalon Combustion Turbine)**

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Filed: July 3, 2026

- 1 **Q.** (Reference Bates White Phase 2 Expert Report of Vincent Musco and Collin Cain dated
2 February 3, 2026) It is stated (page 2) *“Future build plans will be based on contemporary
3 information, including: Newfoundland Power’s plan to extend the lives of two gas
4 turbines (totaling 48 MW of firm capacity), Hydro’s most recent load forecast (2025),
5 and Hydro’s recent update to its effective load carrying capability which show higher
6 capacity values for wind additions than assumed in the Build Application.”*
- 7 a) Do these issues also impact the need for the Avalon CT?
- 8 b) In Bates White’s view, could the higher capacity values for wind additions
9 eliminate the need for both the Avalon CT and Bay d’Espoir Unit 8 if a portion of
10 the wind generation were located on the Avalon Peninsula?
- 11 c) Are there other demand/supply issues that have come up since submission of the
12 Build Application that impact the IIS reliability assessment such as the increase in
13 the LIL transfer capacity, the transmission expansion plan, the higher cost
14 estimate for the Avalon CT, etc?
- 15 d) Is the fuel supply infrastructure adequate to support Holyrood TGS, the Holyrood
16 CT, the Avalon CT and the 48 MW of Newfoundland Power gas turbines?
- 17
- 18 **A.** (a) As we noted in our Phase Two Report, each of these referenced developments has
19 an impact on firm capacity supply, demand, or both. However, these factors are not
20 sufficient to obviate the demonstrated need for the Avalon CT.¹
- 21
- 22 (b) See our response to part (a) of this RFI. Further, we are unaware of any evidence
23 suggesting that wind additions on the Avalon Peninsula could obviate the need for
24 all incremental firm capacity additions.
- 25
- 26 (c) Hydro modeled the higher cost of the Avalon CT in all ten of its capacity expansion
27 model runs in support of its Evidentiary Update.² Regarding a potential increase in
28 LIL transfer capacity, Hydro has explained that “[v]ariations in LIL capacity between
29 700 MW and 900 MW do not have a material impact on the Planning Reserve
30 Margin; rather, it is the LIL bipole [equivalent forced outage rate] that remains the
31 key driver.”³ Regarding the “transmission expansion plan,” we are unaware of any
32 transmission projects planned, but otherwise unmodeled, by Hydro that have arisen
33 since submission of the Build Application that would change the outcome of the IIS
34 reliability assessment.
- 35
- 36 (d) We are unaware of any scenarios in the Build Application proceeding in which Hydro

¹ Bates White Phase Two Addendum Report, June 5, 2026, paragraph 80.

² Bates White Phase Two Addendum Report, June 5, 2026, paragraph 61.

³ Hydro, “Reliability and Resource Adequacy Study Review – 2024 Resource Adequacy Plan – Revision 2,” August 26, 2024, Appendix B, page 37 of 57 lines 15 to 16.

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1 assessed a portfolio that included the Holyrood TGS, the Holyrood CT, the Avalon
2 CT, and 48 MW of Newfoundland Power gas turbines, nor are we aware of any basis
3 for such a portfolio in the evidentiary record.