

- 1 Q. Further to the response to PUB-NLH-001
- 2 a) Has Hydro discussed with the customers:
- 3 i. the reduction in expected non-firm capacity from December to March; and
- 4 ii. the allocation of existing non-firm capacity between Battle Harbour Data Solutions
- 5 Inc. and the current non-firm customer, BlockChain Labrador Corp.?
- 6 b) Has Hydro established a process for communicating with non-firm customers when there
- 7 may be changes in available non-firm capacity? Provide details.
- 8 c) Provide both the number of occasions and the number of hours that Iron Ore Company and
- 9 Tacora Resources Inc. used their interruptible load entitlements between December and
- 10 March in 2023, 2024 and 2025. Confirm if the full 10 MW entitlement of non-firm capacity
- 11 was utilized by these customers simultaneously during the same time period.
- 12 d) Has Hydro had to curtail non-firm power to BlockChain Labrador Corp. since approval of the
- 13 non-firm rate?
- 14
- 15
- 16 A. a) Yes. When the total annual non-firm capacity available in Labrador West changed, based on
- 17 the 2024 Long-Term Forecast, Newfoundland and Labrador Hydro (“Hydro”) advised each of
- 18 the applicants of the change to the seasonal amounts. Hydro advised that it wished to
- 19 ensure that all customers and potential customers had the latest information prior to
- 20 proceeding with the next steps of the interconnection process.
- 21 Hydro reiterated at that time that the available amounts of capacity are non-firm and
- 22 inherently variable and dependent on other demands and system factors. Hydro advised
- 23 that, as indicated in the Non-Firm Rate for Labrador, Hydro will supply non-firm energy only
- 24 to the extent that Hydro has electricity available in excess of the amount it requires to meet
- 25 the firm service requirements of its customers. As demand for firm energy service increases,

1 it is possible (and in fact likely) that the amount of non-firm energy available could decrease
2 further.

3 As noted in Hydro's response to NP-NLH-021 of Hydro's Application for a Non-Firm Rate for
4 Labrador¹ proceeding, capacity limitations of supply, transmission infrastructure, or
5 interconnection infrastructure will impact the amount of non-firm capacity a customer can
6 avail of. Non-firm customers will be supplied capacity up to the minimum of these three
7 constraints.

8 All applicants, including Blockchain Labrador Corporation ("BlockLAB") and Battle Harbour
9 Data Solutions Inc. ("Battle Harbour"), have been informed of the estimated maximum
10 amount of non-firm transmission capacity that would be available each season. Hydro
11 expects that applicants will consider this information and the costs associated with it when
12 designing their systems to access the capacity. As noted in Hydro's response to
13 PUB-NLH-002 of this proceeding, Battle Harbour's proposed interconnection is being
14 designed for a maximum non-firm capacity of 12.5 MW.²

15 **b)** Rate No. 5.1L of Hydro's Schedule of Rates, Rules and Regulations states, with respect to
16 Availability, that:

17 Hydro shall supply non-firm energy to the Customer at such times and to the
18 extent that Hydro has electricity available in excess of the amount it requires to
19 meet the firm service requirements of its customers. Hydro will not utilize
20 standby generation to supply non-firm energy. Hydro may also interrupt or
21 curtail the supply of non-firm energy at its sole discretion to deal with system
22 constraints.

23 Section one of Rate No. 5.1L Terms and Conditions states, "The product is non-firm energy,
24 meaning delivery or receipt of the energy may be interrupted at any time to deal with
25 system constraints. Standby generation will not be used to ensure continuity of service to
26 non-firm customers."

¹ "Application for a Non-Firm Rate for Labrador," Newfoundland and Labrador Hydro, rev. March 29, 2023 (originally filed September 15, 2022).

² This is consistent with Hydro's standard configuration for non-firm service in Labrador West, in place since the approval of the non-firm rate in Board of Commissioners of Public Utilities Order No. P.U. 34(2023), based on the proposed equal sharing of the projected available non-firm capacity among the customers that avail of non-firm service.

- 1 There is no formal communication process in place to inform applicants about a change in
 2 the availability of non-firm capacity, as to date, there is only one active non-firm customer.
 3 Changes in the forecasted amount of non-firm transmission capacity in the region would be
 4 communicated to applicants if there were material changes to the forecast. Real-time
 5 changes in availability of non-firm transmission capacity would be dealt with in accordance
 6 with the terms and conditions of Rate No. 5.1L. Operational policies and protocols will be
 7 established and implemented prior to Battle Harbour’s completed interconnection.
- 8 c) Table 1 contains information on the utilization of interruptible load by Industrial customers
 9 in Labrador West.

Table 1: Utilization of Interruptible Load

Utilization of Interruptible Load³		2023	2024	2025
Number of Occasions ⁴	IOC ⁵	3	-	-
	Tacora ⁶	-	-	77
Number of Hours	IOC	1.5	-	-
	Tacora	-	-	38.5

- 10 At no time during 2023–2025 was the full 10 MW of non-firm transmission capacity utilized.
- 11 d) BlockLAB has been asked to curtail its load on three separate occasions since the Non-Firm
 12 Rate was approved.

³ This data is retrieved from Hydro’s metering system. Each year includes the months of January, February, March, and December.

⁴ Each occasion had a duration of 30 minutes.

⁵ Iron Ore Company of Canada (“IOC”).

⁶ Tacora Resources Inc. (“Tacora”).