

- 1 Q. Further to the response to PUB-NLH-003:
- 2 a) Is there a maximum number of non-firm customers that can be granted non-firm service
- 3 given the limited amount of non-firm capacity currently available?
- 4 b) Is there a maximum threshold of how much existing customer's share of non-firm capacity
- 5 can be reduced through the allocation process to serve new non-firm customers?
- 6 c) Provide the criteria that will be used to determine when non-firm capacity in Labrador West
- 7 will be considered to be fully utilized requiring Hydro to restrict availability of the non-firm
- 8 rate to new non-firm customers.
- 9 d) Is there a deadline set for the applicants that expressed an interest in the non-firm power in
- 10 2023 to request service? Provide details.
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- 13 A. a) At the time of Newfoundland and Labrador Hydro's ("Hydro") Application for a Non-Firm
- 14 Rate for Labrador ("Non-Firm Rate Application"),<sup>1</sup> approved in Board of Commissioners of
- 15 Public Utilities ("Board") Order No. P.U. 34(2023), there were four applicants who had
- 16 requested non-firm service. These four applicants continue to be active in the non-firm
- 17 process in Labrador West. The proposed equal sharing of estimated non-firm capacity
- 18 among the four customers formed the basis for Hydro's standard configuration for non-firm
- 19 service in Labrador. Until or unless Hydro confirms that one or more of the applicants are no
- 20 longer interested, or if additional transmission capacity becomes available in the future,
- 21 Hydro does not intend to solicit or accept additional requests for non-firm service in
- 22 Labrador West.
- 23 b) As Hydro noted in its Non-Firm Rate Application, when Hydro determines that the full non-
- 24 firm capacity is utilized in a region, Hydro will not add additional non-firm customers unless

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

1 additional transmission investments to provide firm service result in additional non-firm  
2 capacity becoming available in that region. In that application, Hydro discussed the analysis  
3 that had been completed to support its assessment of the availability of a potential non-firm  
4 offering. The first was a review of the transmission system to quantify how much load could  
5 reliably be added to the system during each season of the year. For preliminary planning  
6 purposes, the analysis was based on a premise that a maximum of 50 interruptions would  
7 provide an acceptable limit for customers and for reliable system operation. The second  
8 analysis was to quantify the amount of surplus energy available in the region. That analysis  
9 gave rise to the quantity of non-firm load that could be added to each of the regions, by  
10 season, while maintaining a maximum planned number of interruptions to fewer than 50  
11 occurrences

12 However, Hydro notes that due to the nature of non-firm energy service, each non-firm  
13 customer could receive 0 MWs at times based on system conditions and firm load growth.

14 **c)** As Hydro noted in its Non-Firm Rate Application, “. . . the total number of interruptible  
15 customers must be limited. The exact number of interruptible customers that could be  
16 served would be subject to an operational review.”<sup>2</sup> Hydro would utilize the same  
17 considerations in determining whether to add another non-firm customer as it did when  
18 determining whether and how to serve the four active applicants, as set out in the Non-Firm  
19 Rate Application.

20 **d)** Discussions have continued with the applicants in Labrador West since the approval of the  
21 Non-Firm Rate. No deadline has been set.

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<sup>2</sup> *Supra*, f.n. 1, sch. 1, att. 1, p. 16 of 24.