

1 Q. **Reference: Application, Chapter 6, page 6.6**

2 Regarding Hydro's utilization of the Holyrood TGS during the winter months:

- 3 a) When a third unit is brought on in anticipation of higher demand, are the other two  
4 units held at the same output level, leaving the third unit alone to increase the output of  
5 the TGS?
- 6 b) Why is the third unit brought on rather than increasing output of the two operating  
7 units?
- 8 c) When the output of the TGS is increased to meet anticipated increases in IIS demand,  
9 what other Hydro generation assets are combined with the TGS response to meet the  
10 anticipated demand and in what sequence?
- 11 d) If in February 2026 daily IIS peaks and consumption had been uniformly 5% higher than  
12 actually experienced then describe Hydro's likely utilization of the Holyrood TGS,  
13 Muskrat Falls/LIL and other generation assets as well as curtailment exports to address  
14 that situation.

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17 A. a) Under normal circumstances, the output of all Holyrood Thermal Generating Station  
18 ("Holyrood TGS") units are kept at a minimum operation of 70 MW per unit. If necessary,  
19 operating the units to their full output can occur, in which all available units are typically  
20 increased equally to the extent required to support the Island Interconnected System.  
21 However, if a unit is derated, that will impact the extent that the unit can operate up to full  
22 output.

23 b) The capacity of the third unit can only contribute toward system 30- and 10-minute  
24 operating reserves if it is online. Therefore, the only reason to bring the third unit online is if  
25 additional capacity is required to meet these reserve requirements. Provided the other two  
26 Holyrood TGS units are online, the unloaded capacity of those units is already contributing

1 toward system reserves; therefore, increasing the output does not increase their capacity  
2 contribution; rather, it only increases the energy injection into the system.

3 **c)** All non-thermal resources are maximized to the extent possible, including Newfoundland  
4 Power Inc.'s, as are Labrador-Island Link ("LIL") deliveries to the Island Interconnected  
5 System, prior to increasing the output of Holyrood TGS off of minimum operation. During  
6 normal system operating conditions, LIL deliveries during the winter period are sufficient to  
7 keep all Holyrood TGS units operating at minimum output. Newfoundland and Labrador  
8 Hydro requests LIL deliveries to the Island such that they are sufficient to cover reserve  
9 requirements, eliminate the need for standby generation, and keep Holyrood TGS operation  
10 at minimum.

11 **d)** Peak demand on the Island Interconnected System in February 2026 was 1,454 MW.  
12 Increasing the demand by 5% increases the peak demand by approximately 73 MW. Under  
13 normal system operating conditions, this increase in demand could be met by additional LIL  
14 deliveries to the Island Interconnected System, and only the firm contractual export  
15 commitments would be exported over the Maritime Link. Curtailment of firm export  
16 commitments, or operating Holyrood TGS above minimum, would not be required to meet  
17 the increase in demand.