

1 Q. **Reference: NP-NLH-101, Issue Topic: Newfoundland Power Generation Credit.**

2 Please provide the rationale for completing a second test if Newfoundland Power demonstrates
3 it can meet the overall generation requirement in the first test. For the response, please assume
4 that during the first test, the hydraulic and thermal tests are completed in succession (that is,
5 within a two-hour period which would practically require Newfoundland Power staffing
6 availability for the full two-hour testing period).

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9 A. While the tests may be conducted in succession during a single testing period, the first test
10 demonstrates Newfoundland Power Inc.'s ("Newfoundland Power") ability to satisfy the source-
11 specific hydraulic and thermal generation requirements separately, whereas the second test will
12 occur only if the first test fails. Therefore, Newfoundland Power will be given the opportunity for
13 a second test, where if the level is not sustained for each component, but is met in total,
14 Newfoundland Power will not be penalized in calculating the billing demands. The results of the
15 testing may be used, primarily for the thermal portion, in assessing the value of the credit in the
16 next general rate application.