

1 Q. For each project identified below, provide a cost benefit analysis comparing  
2 the proposed project with one additional overhaul.

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<i>Budget Item</i>	<i>Amount</i>	<i>Description</i>
B-45	\$297,000	Replace 136 kW Diesel Unit No. 279 – Grey River
B-47	\$238,000	Replace 75 kW Diesel Unit No. 252 – Petites
B-52	\$299,000	Replace 136 kW Diesel Unit No. 266 – William’s Harbour
B-53	\$318,000	Replace 300 kW Diesel Unit No. 288 – Black Tickle
B-54	\$301,000	Replace 250 kW Diesel Unit No. 293 – Rigolet

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5 A. For the project identified, it is not meaningful to complete a cost benefit  
6 analysis comparing the proposed project with one additional overhaul.  
7 Replacement of the units is based on a number of issues related to the  
8 availability of parts, service life, equipment condition versus Original  
9 Equipment Manufacturer specifications, operating hours, overhauls,  
10 reliability, maintenance history and costs.

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12 All units identified for replacement have at least 5 major overhauls and  
13 between 87,000 and 108,000 operating hours. They are considered to be  
14 beyond their useful reliable life. The proposed replacements will enhance  
15 system reliability. In addition, the new units will offer lower maintenance  
16 costs, improved availability of parts, decreased emissions, reduced fuel  
17 consumption and lower lube oil consumption.