

1 Q. Hydro proposes to treat as common cost a 230 kV transmission line that was
2 built to serve Albright and Wilson Americas because a 24 MVAR capacitor
3 bank is providing voltage support to the 230 kV system (HGB, page 21, lines
4 5-10).

5

6 (a) Is a 230 kV transmission line to the mine site required?

7

8 (b) What is the cost of relocating the capacitor bank to a transmission line
9 that is currently required on the system?

10

11 (c) What is the net book value of the transmission line that was built to
12 serve Albright and Wilson Americas?

13

14 (d) Provide copies of any studies related to alternative sites for the
15 capacitor bank.

16

17 A. (a) The 230 kV transmission line, TL208, from Western Avalon Terminal
18 Station to Long Harbour Terminal Station and the Long Harbour
19 Terminal Station were originally built in 1968 to supply the
20 phosphorous reduction plant operated by Albright and Wilson
21 Americas. As well, the Long Harbour Terminal Station contains a 24
22 MVAR capacitor bank for system voltage support. Albright and Wilson
23 Americas ceased to be an industrial customer on December 15, 1997.
24 A general service customer took control of the site in early 1998 and is
25 supplied through the existing 230 kV and 46 kV station equipment. An
26 alternate supply from Newfoundland Power's 12.5 kV distribution
27 network was considered in 1999, however it would cost approximately
28 \$ 150,000. Given that the customer could be supplied through the

1 existing 230 kV and 46 kV equipment without further capital
2 expenditures, this option was selected.

3

4 (b) The 24 MVAR capacitor bank at Long Harbour Terminal Station is
5 rated for operation at 46 kV. In order to relocate the capacitor bank to
6 another terminal station, the capacitor bank would have to be
7 reconfigured to operate at 66 kV. The cost of reconfiguring the Long
8 Harbour capacitor bank for operation at 66 kV and relocating it to the
9 Western Avalon Terminal Station is estimated at \$ 362,700.

10

11 (c) The net book value of the transmission line, TL208, which was built to
12 serve Albright and Wilson Americas equals \$ 322,616.59 as of
13 December 30, 2000.

14

15 (d) There have been no studies completed related to alternate sites for
16 the Long Harbour Capacitor bank.