

1 Q. With regard to the Haynes/Henderson/Cater evidence (page 15, lines 18 to 29),
2 what is the remaining life of Holyrood and how is this factored into Hydro's
3 decision-making on air emissions and climate change?
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6 A. It is estimated that, with increasing maintenance and sustaining capital
7 expenditures, Holyrood in its present form could continue to operate until
8 2020. This is factored into Hydro's decision-making on air emissions and
9 climate change, and is especially significant for options that involve major
10 capital investments to bring emission levels to today's standards. In general,
11 the shorter the remaining life of Holyrood, the more difficult it is to justify air
12 emission improvements that involve major capital investment.
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14 Due to the significant capital involved in air emission reduction, as well as life
15 extension and repowering options, Hydro has proposed an extensive review
16 of Holyrood in its 2007 capital program. All these factors affect long-term
17 least cost planning and it is Hydro's objective to propose the most cost-
18 effective long-term solutions that are safe, environmentally acceptable and
19 prudent, and that provide reliable service to all customers.