

1 Q. Please confirm that all of the \$2.7 million overhaul expense for Holyrood Unit
2 No.3 in 2007 is included in System Equipment Maintenance expense in the
3 test year. If this cannot be confirmed please identify the portion that is not
4 included at SEM expense and explain where it is included in the test year
5 revenue requirement.

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8 A. The \$2.7 million figure quoted in pre-filed evidence was taken from the “Plan
9 of Projected Operating Maintenance Expenditures 2006-2015 for Holyrood
10 Generating Station” as filed with Hydro’s 2007 Capital Budget Application.
11 The figure included in the 2007 revenue requirement for Unit No. 3 is \$2.8
12 million as detailed in IC 156 NLH. Of the \$2.8 million, approximately
13 \$950,000 is an annually recurring amount for boiler related work. As well,
14 approximately \$350,000 is recurring annually for turbine steam valve
15 maintenance.