

1 **Q. The SGE Acres Report filed in support of the Application is dated**
2 **February 20, 2004.**

3 **(a) Has Hydro produced or requested an up to date Cost Analysis of**
4 **FGD v. Low Sulphur fuel oil as contained in Appendix B to the**
5 **aforesaid Report using up to date cost estimates?**

6 **(b) Have any sensitivity cases been examined, for example, changes**
7 **in the price premium for low sulphur fuel oil, changes in the**
8 **capital cost of FGD, or changes in the operating pattern and life**
9 **expectancy of Holyrood?**

10 **(c) At what price premium for low sulphur fuel oil would the**
11 **economic/financial advantage of the low sulphur fuel oil option**
12 **over FGD be eliminated?**

13
14
15 A. (a) Hydro has not produced or requested an up to date Cost Analysis of
16 FGD/ESP v. Low Sulphur fuel oil as contained in Appendix B to the
17 aforesaid Report using up to date cost estimates. However, the
18 forecast premium for using Low (1.0%) Sulphur Fuel over using 2.0%
19 Sulphur Fuel has been monitored and has decreased since the report
20 was written. As a decrease in the premium only further supports the
21 conclusions and recommendations of the report, no further Cost
22 Analysis has been carried out.

23
24 (b) No, except as noted in (a).

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26 (c) Using a methodology similar to that used in Appendix B – *Cost*
27 *Analysis of FGD vs. Low Sulphur Fuel Oil – Air Emissions Controls*
28 *Assessment – Holyrood Thermal Generating Station Final Report SGE*

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1 Acres February 2004 and looking at the period from 2007 to 2025, the
2 price premium for low sulphur fuel oil such that the economic/financial
3 advantage of the low sulphur fuel oil option over FGD/ESP would be
4 eliminated would be \$9.90 per barrel.