

1 **B-65 Replace Diesel Unit 290 & Upgrade Fuel Storage System, Williams**  
2 **Harbour, \$479,300**

3 Q. What is the policy of NLH with regard to the major overhaul/replacement of  
4 diesel units in rural systems?

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7 A. The policy is to overhaul engines after 20,000 operating hours, to perform  
8 five overhauls and to replace the engine when it requires a sixth overhaul, at  
9 approximately 120,000 hours. This would typically mean a twenty-year life  
10 for an engine. However, this standard is used as a guideline, and a number  
11 of other factors are considered prior to making a decision to replace. These  
12 factors include operating history, reliability, maintenance costs, fuel  
13 efficiency, and plant generation requirements. We have, over the years,  
14 replaced engines earlier and later than twenty years of service.