

Re 2.5 MW Standby Portable Diesel, Schedule B, pages 14-15 (\$1,700,000)

Q. Why was Trepassey chosen as the winter site for the proposed 2.5 MW Standby Portable Diesel? What other sites were studied?

A. The Newfoundland Power report “Portable Diesel Generation: Reliability Analysis, Sizing and Unit Location Review; October 2002” submitted in response to PUB 4.1 of the Newfoundland Power 2003 Capital Budget Application indicated the following regarding the sites considered for locating the portable diesels when they were not being used for other purposes: “It is recommended that one of these units be located on a semi-permanent basis at a substation in the Avalon area (possibly Trepassey or Old Perlican) and another in the Stephenville area (possibly Abraham’s Cove or Port Aux Basques).”

With one unit located in the Stephenville area, it was decided that the unit to be purchased in 2004 be located in the Avalon area as recommended in the report. A unit in each of these two areas provides reasonable response time for a 2.5 MW portable diesel to all areas of Newfoundland Power’s service territory and is in keeping with the reliability analysis noted in the report. Of the two Avalon area sites, the outage statistics contained in Table 2 of the report indicates that locating the unit at Trepassey would provide the greatest benefit in terms of a semi permanent location.