

**Re Rebuild Substations, Schedule B, pages 18-19 (\$1,023,000)**

**Q. Please provide delivery point performance statistics for Grand Bay system that justifies the diesel generation addition.**

A. The diesel generation addition that is to be located in Port Aux Basques was justified in Newfoundland Power's 2003 Capital Budget Application. As part of that application, Newfoundland Power did not state where the diesel should be located though it did indicate that Port Aux Basques was one of a number of possible locations. Newfoundland Power did not justify the diesel generation addition specifically on the location at Port Aux Basques.

As per Order No. P.U. 36 (2002-2003), the Board ordered that "Unless otherwise directed by the Board, the 2.5 MW portable diesel unit to be purchased in 2003 will be stationed in Port aux Basques unless required for emergency purposes or for planned construction activity."