2003 Capital Expenditure Status Report

Q. Explain what "substation standards" required NP to install additional high voltage breakers, a steel tank, the relocation of a transformer and the addition of a battery bank at a cost of $344,000 above budget (Item 13) [Item 12, 1st Revision].

A. The relocation of the transformer from Salt Pond to Wesleyville was included in the plan for the project; however, the price received from the tender process was higher than estimated.

The initial plan for this project was based on utilizing the existing switchgear breaker for the Gas Turbine Generator. The existing switchgear breaker has exposed high voltage contacts and operating mechanisms were to be installed in the new control room. During the detailed engineering phase of the project, it was determined that this posed a safety hazard for personnel involved in operating the gas turbine. Consequently, it was determined that an outdoor breaker, together with the steel structure, should be installed in accordance with existing substation standards.

The existing battery bank and charging system located at the Salt Pond site was scheduled to be relocated to Wesleyville. It was intended that this system would also be used for the Remote Terminal Unit (RTU) being installed in the Wesleyville Substation as part of the Distribution System Feeder Remote Control project in 2002. With the delay in relocating the Gas Turbine until 2003, it was necessary to purchase the additional battery bank and charging system for the RTU. This new system will be utilized by the Gas Turbine upon its relocation to Wesleyville. At that time, the existing battery bank and charging system located in Salt Pond will be reviewed to assess whether there is value in refurbishing them for use elsewhere.