2 **Hydro states:** 3.2.5 Historical Information 3 4 "Hydro started a program in 2015 to replace 25 PLCs at 4 5 diesel plants due to obsolescence. The first PLC replacements were completed at L'anse au Loup in 2015. Port Hope 6 7 Simpson will be completed in September 2016 and Hawke's 8 Bay and Ramea will be completed in 2017." 9 Has Hydro performed a cost benefit analysis regarding the replacement of the 10 automation equipment? 11 12 13 Hydro did not perform a cost benefit analysis regarding the replacement of the Α. 14 automation equipment as this is a continuation of the program "Replace 15 Programmable Logic Controllers" contained in the 2015 Capital Budget application, 16 Volume II Tab 27. That report detailed Hydro's program to replace obsolescent diesel generating plant PLC's. In that report, four alternatives were analyzed and 17 18 the least cost alternative for PLC replacement was selected for installation. Hydro 19 has continued with the installation of that equipment in its on-going program to 20 replace obsolete diesel generating plant PLC's. As the existing HMI is also obsolete, 21 Hydro is replacing the unit with its standard HMI equipment for diesel generating

plants. Continuing manual operation of the plant was not considered as an

alternative as re-establishing the diesel generation automation will improve the

effectiveness of the plant's operation. Hydro did not perform a cost benefit analysis

as the equipment is being replaced with Hydro's standard design and the manual

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operation will not continue.

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