



NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES
120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

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2018-06-13

Mr. Geoff Young
Newfoundland and Labrador Hydro
P.O. Box 12400
Hydro Place, Columbus Drive
St. John's, NL A1B 4K7

Dear Mr. Young:

Re: Newfoundland and Labrador Hydro - 2018 Capital Budget Supplemental Application - Approval of a Capital Expenditure to Increase the Generating Capacity at the Holyrood Thermal Generating Station to Improve Boiler Load Capacity in Units 1, 2 and 3 - Requests for Information

Enclosed are Information Requests PUB-NLH-001 to PUB-NLH-004 regarding the above-noted application.

If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Ms. Jacqui Glynn, by email, jglynn@pub.nl.ca or telephone (709) 726-6781.

Yours truly,


Cheryl Blundon
Board Secretary

CB/cj
Enclosure

ecc **Newfoundland & Labrador Hydro**
NLH Regulatory, E-mail: NLHRegulatory@nlh.nl.ca
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NP Regulatory, E-mail: regulatory@newfoundlandpower.com
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1 **IN THE MATTER OF**
2 the *Electrical Power Control Act, 1994*,
3 SNL 1994, Chapter E-5.1 (the “*EPCA*”)
4 and the *Public Utilities Act*, RSNL 1990,
5 Chapter P-47 (the “*Act*”), as amended, and
6 regulations thereunder; and
7

8 **IN THE MATTER OF**
9 an Application by Newfoundland and Labrador Hydro
10 for approval of capital expenditures to increase the
11 generating capacity at the Holyrood Thermal Generating
12 Station pursuant to Subsection 41(3) of the *Act*.
13

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NLH-001 to PUB-NLH-004

Issued: June 13, 2018

- 1 **PUB-NLH-001** Appendix A, page A-9: In its report Babcock & Wilcox listed four measures
2 that can prevent the reoccurrence of unit de-rates caused by fouling. What steps
3 have been taken to ensure these measures are adopted by Hydro?
4
- 5 **PUB-NLH-002** Please provide the individual cost for the fuel additive and chemical cleaning
6 technique and quantify the benefit of each initiative in supply capacity (MW)
7 gained.
8
- 9 On page A-19, section 3.3.1, of Babcock & Wilcox *Engineering Study Report* on Holyrood Units
10 1, 2, and 3 it is stated as a conclusion that “*fouling of the Holyrood units leading to reduced*
11 *maximum load capability has occurred between 2015 and 2018, following discontinuation of fuel*
12 *oil MgO injection.*”
13
- 14 Hydro’s *Near-Term Generation Adequacy Report* dated May 22, 2018 provides some explanation
15 as to why the fuel additive was discontinued in 2014. Page 18 of the report states that “*B&W also*
16 *observed that the decline in unit performance is due to the impact of discontinuing the use of fuel*
17 *additive, a decision which occurred in 2014 and was based on the improved fuel oil supply*
18 *specification. Hydro deemed the cost of supplying this additive was no longer required since the*
19 *quantities of vanadium and other metals in the fuel had dropped to near zero. The impact on*
20 *fouling at the air heaters was not known. Fuel additive will be reinstated before the 2018-2019*
21 *operating season.*”
22
- 23 **PUB-NLH-003** Please confirm that the reason for discontinuing the fuel additive is the same
24 as that given in Hydro’s *Near-Term Generation Adequacy Report* dated May
25 22, 2018. If not or if there are additional reasons please elaborate.
26
- 27 **PUB-NLH-004** As noted above in the Babcock & Wilcox *Engineering Study Report* fouling
28 of the units occurred from 2015-2018 resulting in their current de-rated
29 capacities. Why did it take approximately four years to make a correlation
30 between increased fouling and the discontinuation of the fuel additive in 2014?

DATED at St. John’s, Newfoundland this 13th day of June, 2018.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per 
Cheryl Blundon
Board Secretary