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- 1 Q. Some weeks ago, Nalcor announced that work had stopped at the Muskrat Falls site as a result
2 of the pandemic:
- 3 (a) When will work resume at the Muskrat Falls site and what is the current forecasting for
4 completion of the project and commissioning?
- 5 (b) How will Muskrat Falls commissioning affect the use of the Holyrood Thermal Generation
6 Station?
- 7 (c) How will the commissioning affect the use of Hydro's gas turbines?
- 8 (d) What is the long term plan for retaining these gas turbines after the commissioning?
- 9 (e) What is the current cost of the fuel required for the gas turbines and how does that cost
10 compare with the cost of fuel at the Holyrood Thermal Generation Station?
- 11 A. (a) As noted in Newfoundland and Labrador Hydro's ("Hydro") response to Request for
12 Information IC-NLH-001, as well as Hydro's communications to the Board of
13 Commissioners of Public Utilities on March 25, 2020, given the current circumstances
14 related to the COVID-19 pandemic, Hydro is unable to provide a schedule forecast at this
15 time.
- 16 (b) Hydro's intention has been, and remains, to maintain up to a two-year period of standby
17 operation of the Holyrood Thermal Generating Station ("Holyrood TGS") during early
18 operation of the Muskrat Falls Project Assets. During this period of standby, the Holyrood
19 TGS units would be fully available for generation following which Hydro plans to retire the
20 Holyrood TGS as a generation facility.
- 21 (c) This Application is for capital work necessary for the continued operation of the Holyrood
22 TGS. While the operation of Hydro's gas turbines is not pertinent to this Application,
23 Hydro provides the following information to help inform the parties' understanding.
- 24 Hydro will continue to rely on its gas turbines for capacity, as required, and will continue
25 to use off-island supply when technically and economically feasible to minimize
26 production at its gas turbine facilities.

- 1 (d) This Application is for capital work necessary for the continued operation of the Holyrood
2 TGS. While the long-term plan for Hydro’s gas turbines is not pertinent to this Application,
3 Hydro provides the following information to help inform the parties’ understanding.
- 4 Hydro will continue to have the Holyrood Gas Turbine available for capacity requirements
5 to ensure the provision of reliable service to its customers. Please refer to Section 4.5 of
6 the “Reliability and Resource Adequacy Study – 2019 Update” which outlines the asset
7 retirement plans for the Hardwoods and Stephenville Gas Turbines.¹
- 8 (e) For March 2020 the cost of fuel for gas turbines was 28 cents/kWh versus 15.6 cents/kWh
9 for fuel consumed the Holyrood TGS, a difference of 12.4 cents/kWh.

¹ Hydro is reviewing requirements to maintain the Hardwoods and Stephenville Gas Turbines given the delays in the Muskrat Falls Project.