

1 Q. **Reference Application Rev. 1, Volume 1, Section D: Projects Over \$200,000 but less than**  
2 **\$500,000, Replace Snow Groomer, pages D-42 to D-44**

3 For the “Defer” Alternative, what is the cost to bring the snow groomer to an acceptable level of  
4 performance? Please quantify the probability of failure and the cost to maintain the snow  
5 groomer in 2021 if not replaced. In effect, what is the trade-off between cost to ratepayers,  
6 system reliability and risk?

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9 A. This snow groomer is a critical piece of equipment required for the safe and reliable operation  
10 of the Cat Arm Hydroelectric Generating Station (“Cat Arm”). The snow groomer is used to  
11 transport supplies, critical parts, tools and materials, and employees into the Cat Arm site. The  
12 annual historical snow fall in this area is 400–600 centimetres. The snow groomer is used  
13 approximately six months of the year and regularly travels over 30 kilometers (one way) on a  
14 road with very steep embankments (over 150 metres). The recommended replacement criterion  
15 for this equipment is 15 years. This snow groomer is a 2003 Bombardier BR180 which has been  
16 used three years beyond the recommended service life. This machine is no longer manufactured  
17 and parts are difficult to maintain. As Cat Arm is a remote site, continued use of this vehicle  
18 poses a safety risk to Hydro employees and a reliability risk to the Cat Arm site.

19 Newfoundland and Labrador Hydro (“Hydro”) received a quote of approximately \$40,000 for the  
20 inspection and repair of the snow groomer to allow for its safe use for the upcoming 2020–2021  
21 winter season only. This cost could be potentially higher depending on the inspection findings.  
22 The cost to maintain the snow groomer throughout the 2021–2022 winter season is unknown  
23 due to its age and condition. Given the age and critically of the equipment, Hydro does not  
24 recommend extending its use past the upcoming winter season.