

1 Q. **Reference: Application Rev. 1, Volume 2, Unit 3 Overhaul – Holyrood**

2 Is it feasible to defer both the Holyrood Unit 3 overhaul and the stator rewind project to 2022?

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5 A. It is possible to defer both the Holyrood Unit 3 overhaul and the stator rewind projects to 2022.
6 However, it is not recommended that this work be deferred to 2022 for a number of reasons.

7 The windings on the Unit 3 stator are 40 years old and have been in-service longer than the
8 expected service life for these windings. While testing has not identified any immediate
9 concerns for failure, insulation can fail with little or no warning. Not replacing the windings
10 during the 2021 outage season means that there is an increased risk of failure during the 2021–
11 2022 operating season. The likelihood of failure is unknown; however, the impact of a failure
12 would significantly affect Newfoundland and Labrador Hydro’s (“Hydro”) ability to serve
13 customers.

14 The stator rewind project was approved in the 2020 Capital Budget Application¹ for supply and
15 installation of windings in 2021 and the tender process is complete. Changing the installation
16 year would require contract changes with the vendor and likely would result in higher costs.
17 Further, delaying the project would cause Hydro to incur interest costs. Also, storage costs of
18 the copper windings for one year would have to be considered.

19 Finally, the required outage duration for the rewind work has been included in outage planning
20 for 2021. This outage duration may be more difficult to schedule in 2022.

¹ Board Order No. P.U. 6(2020).