

1 Q. On page 26 of Schedule 1: Evidence of the Application Hydro notes that “To a large degree, the
2 requirement to continue operation as a fully operational facility requires Hydro to continue to
3 maintain its personnel, equipment inventory, fuel inventory, assets, contractor agreements, etc.
4 to similar levels as required for the Holyrood TGS’ full operation prior to Project commissioning.
5 Hydro estimates an approximate staff decrease of 50 full-time equivalents upon transitioning to
6 the post-steam operational mode.”

7 Please explain why Hydro is not proposing to include Holyrood TGS non-fuel O&M savings into
8 the deferral account.

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11 A. Under the current schedule, post-steam operational mode is to begin in April 2023.
12 Newfoundland and Labrador Hydro (“Hydro”) expects that 2023 will be a test year for the next
13 general rate application (“GRA”). Therefore, Hydro will give consideration to the non-fuel
14 savings at the Holyrood Thermal Generating Station in preparing its GRA test year forecast.