

1 Q. **Reference: Application, Schedule 3 relating to Holyrood TGS, page 11**

2 It is stated

3 There will be one Holyrood TGS unit online in mid-October through November;
4 two Holyrood TGS units online from December to February; and one unit online
5 in March.

6 Please explain the logic of this operating pattern and identify costs savings and reliability of
7 supply relative to having all 3 units online from November through March. Will all three units be
8 online at the same time- for how long and what operating level?

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11 A. The operating pattern is an assumption that is only based on load and potential Labrador-Island
12 Link availability. Although Newfoundland and Labrador Hydro (“Hydro”) has consistently stated
13 there are reliability concerns associated with the operation of the units at the Holyrood Thermal
14 Generating Station in a standby capacity, there are significant fuel costs associated with the
15 continued base-loaded operation of the three units. Hydro’s current planning assumption is to
16 have two units online through the winter period; however, the number of units and level of
17 production are subject to change based on system conditions.