

IN THE MATTER OF the *Public Utilities Act* (the "Act"); and

IN THE MATTER OF an Application by Newfoundland and Labrador Hydro for an Order approving (1) its 2010 Capital Budget pursuant to s. 41(1) of the Act; (2) its 2010 capital purchases and construction projects in excess of \$50,000.00 pursuant to s. 41(3)(a) of the Act; (3) its leases in excess of \$5,000.00 pursuant to s. 41(3)(b) of the Act; and (4) its estimated contributions in aid of construction for 2010 pursuant to s. 41(5) of the Act and for an Order pursuant to s. 78 of the Act fixing and determining its average rate base for 2008

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REQUESTS FOR INFORMATION OF THE INDUSTRIAL CUSTOMERS

5 **Re General**

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7 **IC-NLH-1** For each of the projects under Tab B (\$500,000 and over) indicate
8 what amount of each project will give rise to assets which will be
9 assigned to Rural Operations and what amount will be assigned to
10 the Island Interconnected System.
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12
13 **Re 2010 Capital Plan, pages 17-20 :**

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15 Hydro in the 2010 Capital Plan notes that: *"The Province's Energy*
16 *Plan indicated that should the Lower Churchill Project not be*
17 *sanctioned, the emissions issues at the Holyrood Generating*
18 *Station would be improved by the installation of scrubbers and*
19 *precipitators."* The Industrial Customers have several related
20 questions in relation to this statement:
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22 **IC-NLH-2** At page 13 of the 2010 Capital Plan, Hydro refers to an expected
23 in service of the HVDC infeed in 2015/2016. If an HVDC infeed is
24 achieved within that time frame, does this mean that the
25 expenditures listed at pages 19-20 of the 2010 Capital Plan to
26 address emission issues (Unit 1 – Continuous Emission Monitoring
27 System; Unit 2 – Continuous Emission Monitoring System;

Common – Ambient Air Monitoring Stations; Stack Emissions Cleanup Equipment: Replace Burners with Low NOx Burners; Upgrade Soot Blowing Controls), totaling almost \$600 million dollars, will not need to be incurred?

6 **IC-NLH-3** At page 13 of the 2010 Capital Plan, Hydro refers to an expected in service of the HVDC infeed in 2015/2016. What is the latest realistic sanction date which would enable an in service of the HVDC infeed in 2015/2016? When will Hydro be in a position to advise the Board as to whether that sanction date will be achieved?

12 **IC-NLH-4** At page 18 of the 2010 Capital Plan, Hydro refers to “Install Low NOx Burners” and “Upgrade Sootblowing Controls” as 2014 Projects “required to ensure continued environmental compliance until completion of the HVDC infeed”. Will these requirements be in effect if in service of the HVDC infeed is anticipated for 2015/2016? Is there an existing regulatory condition or order with which Hydro will be in non-compliance if the “Install Low NOx Burners” and “Upgrade Sootblowing Controls” Projects do not proceed by 2014?

22 **Re Upgrade Gas Turbine Plant Life Extension – Hardwoods, page B-2**

24 **IC-NLH-5** What is the anticipated useful life in operating hours with a gas turbine and how many hours has the Hardwoods gas turbine operated?

28 **IC-NLH-6** What is the average number of hours of operation per year assumed in establishing the 25 year service life assigned to gas turbines?

32 **IC-NLH-7** What is the average number of starts and stops assumed in establishing the 25 year service life assigned to gas turbines?

35 **IC-NLH-8** What has been the average number of starts and stops per year of the hardwoods turbine since commissioning?

38 **IC-NLH-9** How does the increased availability of Holyrood units for use as synchronous condensers affect the demand for use of the Hardwoods gas turbine as a synchronous condenser?

42 **IC-NLH-10** Give particulars of all unplanned outages arising from failures of the Hardwoods gas turbine.

1 **IC-NLH-11** Expand Appendix D to show power generation hours and
 2 synchronous condensing hours.
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4 **Re Replace and Purchase of Stator Windings, page B- 4 :**
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6 **IC-NLH-12** At page 4 of the report (Volume II, Tab 2) supporting this project
 7 electrical test results are reported for Unit 2. Were electrical tests
 8 performed on the other Units and, if so, explain how the results
 9 differed from those reported Unit 2?
 10

11 **IC-NLH-13** Detail the operating conditions applicable to Unit No. 2 as
 12 mentioned in Section 3.6 of the Report at Volume II, Tab 2), and
 13 indicate in respect of each such condition how and to what extent
 14 life of the windings is affected by each condition.
 15

16 **IC-NLH-14** Has the regular maintenance undertaken by Hydro in respect of the
 17 windings increased or decreased the anticipated service life?
 18

19 **IC-NLH-15** In connection with Section 3.8 of the Report, did GE recommend a
 20 schedule for replacement of windings?
 21
 22

23 **Re Replace Programmable Logic Controllers, page B- 6 :**
 24

25 **IC-NLH-16** At page B-7, under "Project Justification", it is asserted that "*A
 26 plant-wide installation of a common system delivers tangible cost
 27 benefits as well as intangible benefits to operations staff.*" In the
 28 "Conclusion" section at page 36 of the report (Volume II, Tab 3)
 29 supporting this Project, reference is only made to the intangible
 30 benefits of a plant-wide common platform. What are the tangible
 31 cost benefits referred to in the "Project Justification" and can they
 32 be quantified and compared with other alternatives to this Project?
 33

34 **IC-NLH-17** What would be the projected useful service life of the proposed new
 35 Controllers?
 36

37 **IC-NLH-18** What elements of this Project will no longer have continuing utility,
 38 will have limited continuing utility, or will require substantial
 39 retrofitting, if Holyrood is converted to synchronous condenser
 40 operations upon in service of the HVDC infeed?
 41
 42

43 **Re Refurbish Fuel Storage Facility, page B- 8 :**
 44

45 **IC-NLH-19** At page 1 of the report (Volume II, Tab 4) supporting this Project,
 46 reference is made to March 2006 SGE Acres Report, which was

1 apparently intended to be attached as an "Appendix A". Please
2 provide a copy of this SGE Acres Report.

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4 **IC-NLH-20** The report (Volume II, Tab 4) supporting this Project only makes
5 reference to a 2004 inspection of Tank 4 conducted by SGE Acres.
6 Has any similar inspection been conducted since the 2004 SGE
7 Acres inspection?

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9 **IC-NLH-21** What evidence is there of the extent of continuing corrosion, if any,
10 of the floor of Tank 4 since and notwithstanding the installation of
11 the patch plates in 2004?

12
13 **IC-NLH-22** Is Hydro aware of whether SGE Acres recommendation for Tank 4
14 of replacement of the floor plate and installation of a protective
15 coating was made in anticipation or expectation that a further
16 inspection of Tank 4 would be conducted prior to proceeding with
17 such work to confirm that such work was required?

18
19 **IC-NLH-23** Was SGE Acres asked to make recommendations in respect of
20 Tank 4, or the Fuel Oil Storage Facility generally, taking into
21 account the anticipated in service of the HVDC infeed in
22 2015/2016?

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24
25 **Re Upgrade Plant Access Road, page B- 10 :**

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27 **IC-NLH-24** At page B-10, under "Operating Experience" it is noted that Hydro
28 does not hold title to the Access Road. It is presumed that
29 ownership still vests in the Provincial Crown. Has Hydro
30 approached the Provincial Government requesting that
31 Government upgrade the Access Road to a Provincial roadway
32 standard?

33
34 **IC-NLH-25** Is the Access Road a Provincial roadway? Is it used or able to be
35 used by users other than Hydro? Does Hydro in any way control or
36 monitor use of the road by users other than Hydro? Can Hydro
37 provide any information about how deterioration of the road has
38 been contributed to by users of the road other than Hydro?

39
40 **IC-NLH-26** Should the Board approve this Project, will Hydro obtain title to the
41 Access Road or in any way control use of the road by users other
42 than Hydro so as to eliminate or minimize any deterioration to the
43 road that would be caused by non-Hydro traffic?

Re Replace Pumphouse Motor Control Centres, page B- 12 :

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3 **IC-NLH-27** Tables 1 and 2 at page 5 of the report (Volume II, Tab 6) supporting
4 this Project indicate no Preventive Maintenance Expenditures were
5 incurred for either Pumphouse Motor Control Center in 2008.
6 Preventive Maintenance Expenditures were incurred in each of the
7 preceding 4 years (with the exception of 2005 for Pumphouse 1).
8 Have any Preventative Maintenance Expenditures been made to
9 either Pumphouse Motor Control Center in 2009? Has Hydro
10 decided not to make further Preventative Maintenance
11 Expenditures to either Pumphouse Motor Control Center or
12 otherwise decided to limit Maintenance Expenditures for these
13 units? What is the impact on the deterioration of the Pumphouse
14 Motor Control Centers of not conducting Preventive Maintenance?
15

16 **IC-NLH-28** What quantifiable “unreliable system” results or unplanned outages
17 have been caused by deterioration of the Motor Control Centers, as
18 asserted at page 4, section 3 of the report supporting this Project?
19 If there have been any such results or outages, can their further
20 occurrence be mitigated in the future by greater preventive
21 maintenance efforts?
22

23 **IC-NLH-29** What would be the estimated cost of maintaining the Pumphouse
24 Motor Control Centers (without their proposed wholesale
25 replacement) by way of Preventive and Corrective Maintenance
26 (including purchase of any necessary replacement parts, which are
27 noted to be available at section 3.9 of the report supporting this
28 Project) to the anticipated in service of the HVDC infeed in
29 2015/2016? Can these costs be included in a “Plan of Projected
30 Operating Maintenance Expenditures” as has been done at Section
31 I, Volume I of Hydro’s Application?
32

33 **IC-NLH-30** Have either the safety deficiencies mentioned in paragraph 3.10 of
34 the Report resulted in any injury to Hydro personnel since the
35 commissioning of these units?
36
37

Re Wood Pole Line Management Program, page B-28:

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40 **IC-NLH-31** With reference to Hydro's response to IC27-NLH in the 2007
41 Capital Budget Application, and specifically subsection (f) of that
42 response, and to the related IC32-NLH in the 2008 Capital Budget
43 Application and IC11-NLH in the 2009 Capital Budget Application,
44 update Hydro's response with respect to those recommendations
45 that had not been followed or completed, namely R4, R6, R8 and
46 R10.

Re Upgrade Line TL-244-Plum Point to Bear Cove, page B-32:

IC-NLH-32 Had this line been equipped to meet the local ice load requirements at the time of upgrade, would the current project be required? What, if any, additional costs would have been incurred at the time of upgrade if the line had been engineered correctly to meet the local ice load requirements?

Re Corporate Application Environment – Upgrade Microsoft Products, page B-52:

IC-NLH-33 Provide the total annual costs of maintaining the system for each of the last five years including all capital amounts.

Install Meteorological Stations – Various Sites, page C-2:

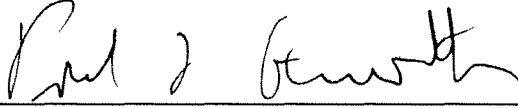
IC-NLH-34 Given the additional hydro resources now available to Hydro and reduced industrial demand, explain why this project cannot be deferred for one to two years.

Replace Peripheral Infrastructure – Various Sites, page C-166:

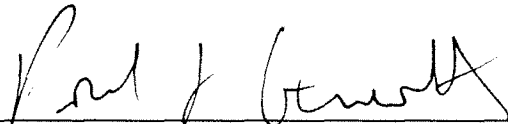
IC-NLH-35 What is the total number of MFD's and laser printers located in Hydro Place, Bishop's Falls, Holyrood, Port Saunders and Bay d'Espoir, respectively? How many individual employees have to access these devices at each location?

DATED at St. John's, this 26 day of August, 2009.

POOLE ALTHOUSE

Per: 
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