

1 Q. Re 2010 Capital Plan, pages 17-20

2 Hydro in the 2010 Capital Plan notes that: "*The Province's Energy Plan indicated*
3 *that should the Lower Churchill Project not be sanctioned, the emissions issues at*
4 *the Holyrood Generating Station would be improved by the installation of scrubbers*
5 *and precipitators.*" The Industrial Customers have several related questions in
6 relation to this statement:

7 At page 13 of the 2010 Capital Plan, Hydro refers to an expected in service of the
8 HVDC infeed in 2015/2016. If an HVDC infeed is achieved within that time frame,
9 does this mean that the expenditures listed at pages 19-20 of the 2010 Capital Plan
10 to address emission issues (Unit 1 - Continuous Emission Monitoring System; Unit 2
11 - Continuous Emission Monitoring System; Common - Ambient Air Monitoring
12 Stations; Stack Emissions Cleanup Equipment: Replace Burners with Low NOx
13 Burners; Upgrade Soot Blowing Controls), totaling almost \$600 million dollars, will
14 not need to be incurred?

15
16
17 A. Hydro's intention is to expend only those funds required to ensure the safe, reliable
18 and environmentally responsible operation of the Holyrood facility until such time
19 as the decision regarding the HVdc infeed is made and, assuming that the HVdc
20 infeed will be constructed, the safe, reliable and environmentally responsible
21 operation until such time as the Holyrood facility is no longer required,. To that end,
22 the projects referenced in the question will be constructed only if they are required
23 to comply with legislative requirements, or to address human or environmental
24 safety or health issues.