Q. Re: 2013 Capital Projects 500,000 and Over: Explanations, p. C-6 Install
Variable Frequency Drives on Forced Draft Fans:

This project is stated at p. C-7 to "pay for itself within less than one year of being put into service in 2014." How and when was this project identified and why was this project not advanced previously?

A.

Hydro has considered the installation of variable frequency drives (VFD) to reduce energy consumption in the past, but the design maturity of the products being offered did not allow for an application at Holyrood. As part of the Plant's 2009 energy efficiency initiatives a supplier of VFD technology was invited to site to explore opportunities for installing VFDs on the six forced draft fan motors. The site investigation revealed that the new VFD technology was much smaller in size and the cost to purchase the equipment had been reduced. In light of the positive discussions with the supplier Hydro embarked on a cost benefit analysis to determine payback which resulted in a favourable outcome. A conceptual design for the installation now indicates that the VFD can be installed on new platforms which can support the weight as opposed to earlier vintages which were too heavy and too large to install cost effectively. Once Hydro realized the potential for savings and environmental improvements, the proposal was prepared and added to the Capital Budget Plan for 2013.