Q. 1 (GRA, Volume II, Exhibit 2 - Annual Report on KPIs, page E12) 2 What are Hydro's current and long-term plans for dealing with salt contamination? 3 4 5 A. Salt contamination has been an ongoing issue for Hydro in areas where equipment 6 is in close proximity to the ocean. Of particular concern has been salt 7 contamination on the transmission lines on the Northern Peninsula. Depending upon weather conditions, lines such as TL-241 and TL-244 experience outages from 8 9 time to time as indicated on page E12 of Hydro's Annual KPI Report. However, transmission lines TL-221 and TL-227 are the lines that currently experience the 10 11 majority of the issues with salt contamination. There are areas on TL-227 that are 12 especially prone to salt contamination. These areas will be upgraded with new 13 insulators and davit arms in the 2017/2018 time period. From Hydro's experience, installing davit arms and over insulating is the most effective way to deal with salt 14 contamination. Historically, Hydro has tried washing insulators but it was not 15 16 practical, as it would need to be a continuous effort. In addition, a Room Temperature Vulcanizing (RTV) coating was applied to the insulators on TL-221, but 17 18 did not achieve the desired results. 19 20 Hydro also has plans to upgrade TL-221 to deal with salt contamination in the 21 2015/2016 time period. This work will include the installation of new insulators and 22 davit arms with the possibility of line reroutes to areas that would be less prone to 23 salt contamination.

¹ Over insulating refers to the practice of installing more insulators than would otherwise be required for the voltage class, thereby increasing the effective insulating distances.