

1 Q. (Re: November 2013 Report to Board on Holyrood Black Start Analysis, Summary)
2 Hydro states that it has worked with generator suppliers to source units that could
3 be delivered to the Holyrood site on very short notice to meet the needs of the
4 2013 – 2014 operating season. Please define the operating season, and provide
5 Hydro's current estimate as to when the diesel plant will be fully functional as a
6 black start facility. Please provide an indication of the cost savings if the in-service
7 date of the diesel plant black start project were delayed to coincide with the 2014 –
8 2015 operating season.

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11 A. The operating season is generally defined as the period during which at least one
12 Holyrood thermal generating unit is operating to produce electricity. Holyrood
13 operating requirements are determined by a number of factors, including overall
14 production requirements (energy) from the plant, system peak demands and
15 requirements for Avalon Peninsula transmission support. The length of the
16 operating season will vary from year to year and is influenced by weather, reservoir
17 levels and customer requirements. Typically, the first unit is started in the early fall
18 and the last unit is shut late in the following spring or early summer. These
19 requirements can change based on the factors indicated previously.

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21 For the current timelines for the project, including Hydro's estimate as to when the
22 diesel plant will be fully functional as a blackstart facility, please refer to Hydro's
23 response to CA-NLH-006.

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25 The project cost is broken into capital costs and lease costs. If the project was
26 delayed until the 2014 – 2015 operating season there would be no capital cost
27 savings because those costs represent the purchase and installation of equipment.

1 Hydro would expect that the capital cost would increase because of inflationary
2 pressures. The lease cost would be reduced if the project was delayed and assuming
3 the same end date. Based on Hydro's current lease costs, the lease cost savings
4 would be approximately \$2M.