

1 Q. Provide the same comparisons as requested by IC-NLH-1, except in this case
2 between the capital costs, projected annual lease costs and other projected costs
3 for the lease, installation, maintenance and use of the diesel units which are the
4 subject of the present Application until late 2015, on the one hand, and Hydro
5 having applied in its 2014 Capital Budget application, and obtained approval, for the
6 installation of a new combustion turbine at Holyrood (60 MW, as identified by
7 Hydro's August 5, 2013 correspondence to the Board), for operational status in late
8 2014 (instead of late 2015, as apparently planned by Hydro, and thereby reducing
9 by one year the need for the diesel units), on the other hand.

10

11

12 A. As indicated in Hydro's response to PUB-NLH-002, generation expansion options are
13 still being evaluated which include, but are not limited to, a combustion
14 turbine. Further, as indicated in Hydro's response to PUB-NLH-004, if a combustion
15 turbine was the chosen option, late 2015 was the earliest in-service date considered
16 in the 2012 decision analysis due to the overall project schedule.

17

18 The table below presents a comparison of incremental costs assuming that
19 installation of a new combustion turbine was possible for operational status in late
20 2014.

Leased Diesel Units Forecast Costs (\$000s)				
	2014	2015	2016	Total
Installation late 2014				
Capital	1,263	-	-	1,263
Lease	2,360	-	-	2,360
	<u>3,623</u>	<u>-</u>	<u>-</u>	<u>3,623</u>
Installation late 2015				
Capital	1,263	-	-	1,263
Lease	3,800	1,440	-	5,240
	<u>5,063</u>	<u>1,440</u>	<u>-</u>	<u>6,503</u>

1

2

Please see IC-NLH-006 for the total revenue requirement impact of a 2014

3

installation of a combustion turbine.