

1 Q. Reference: Refurbish Generation Unit – Snook’s Arm, Volume I, Section D,
2 Page D-51

3 *“There have been no replacements of major components on the generating unit.*
4 *In 2006 the wooden stave penstock was replaced with a steel penstock, the total*
5 *cost of the penstock replacement was \$ 2.2 million dollars.”*

6 Please provide Hydro’s estimate of the system marginal cost of energy (¢ per kWh
7 basis) following the Labrador Interconnection for comparison with the levelized cost
8 of energy provided in the response to Request for Information NP-NLH-019 above.

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11 A. The levelized cost of energy requested in the response to Request for Information
12 NP-NLH-019 would be based on fuel forecasts, economic parameter forecasts and
13 cost estimates prepared in 2005. A current (2014) estimate of the system marginal
14 cost of energy (¢ per kWh basis) following the Labrador Interconnection would be
15 based on forecasts and estimates prepared in 2014.

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17 There is a nine year difference in the basis of the estimates of the costs of energy.
18 Hydro’s current estimate of the system marginal cost of energy (¢ per kWh basis)
19 following the Labrador Interconnection, and the levelized cost of energy requested
20 in the response to Request for Information NP-NLH-019 are therefore not
21 comparable and thus neither have been provided.