

1 **Q. Further on the same page you indicate a plan “to purchase a 5 MW mobile**  
2 **generator at an estimated cost of \$9.0 million. Why should the ratepayers of the**  
3 **Island pay for this generation when Hydro is supplying all the power you need on**  
4 **demand.**

5  
6 A. Newfoundland Power’s 5-year capital plan identifies the purchase of a 5 MW mobile  
7 generator as a multi-year project for 2016 and 2017. No approval is requested in this  
8 Application for any expenditure associated with the 5 MW mobile generator.  
9

10 Newfoundland Power currently operates a fleet of 2 mobile generators. The 10 year old  
11 Mobile Diesel No. 3 (“MD3”) is a 2.5 MW diesel generator system, complete with power  
12 transformer and switching equipment that allows it to be installed on distribution feeders  
13 throughout the Company’s service territory. The 40 year old Mobile Gas Turbine  
14 (“MGT”) is a 6.7 MW gas turbine generator system complete with power transformer  
15 switching equipment that provides similar capability.  
16

17 The Company’s mobile generation is used for 3 principal purposes: (i) in support of the  
18 Island Interconnected System at Newfoundland and Labrador Hydro’s request, (ii) to  
19 minimize customer outages for planned work and (iii) to minimize customer outages due  
20 to unplanned emergencies. The *mobile* nature of the generation increases its flexibility  
21 and allows it to be used in other situations. For example, for the past 2 winter seasons the  
22 MGT has been stationed at the Holyrood Thermal Generating Station to provide  
23 emergency station service.<sup>1</sup>  
24

25 The Company’s mobile generators have been used extensively in recent years in support  
26 of the Island Interconnected System. Even when adequate generation reserves are  
27 available, local outages to transmission and distribution lines can result in the interruption  
28 of service to customers. When either planned or unplanned outages are likely to impact  
29 customers, Newfoundland Power will consider locating mobile generation to ensure the  
30 impact is minimized.  
31

32 Table 1 provides information on a number of instances in which the Company’s mobile  
33 generators have been operated from 2008 to 2013.

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<sup>1</sup> Hydro requested that the MGT be located at Holyrood in order to reduce the amount of time needed to restart the thermal generators in the event of system disturbances.

**Table 1**  
**Mobile Generation Operations**  
**2008 to 2013**

<b>Date</b>	<b>Unit</b>	<b>Location</b>
Dec 2013	MGT	Holyrood Thermal Generating Station, standby station service
Nov 2013	MD3	Badger, emergency generation required due to snow storm
Aug 2013	MD3/MGT	Port aux Basques, supplied customers during Hydro's transmission line outage
July 2013	MD3	Trepassey, supplied customers during transmission line outage
May 2013	MD3/MGT	Holyrood Thermal Generating Station, black start test
Aug 2012	MD3/MGT	Seal Cove, supplied customers on the Baie Verte Peninsula during transmission line maintenance
June 2012	MD3	Random Island, supplied customers during distribution line rebuild
April 2012	MGT	Bell Island, supplied customers during submarine cable repairs
Dec 2011	MD3	Bonavista, supplied customers in the Bonavista area during transmission line maintenance
July 2011	MGT	Port aux Basques, supplied customers during Hydro's transmission line outage
Mar 2010	MGT	Bonavista, supplied customers on the Bonavista Peninsula while the transmission line was being rebuilt following ice storm
Mar 2010	MD3/MGT	Old Perlican, supplied customers on the Bay de Verde Peninsula while the transmission line was being rebuilt following ice storm
Aug 2009	MGT	Robinsons, supplied customers during transmission line outage
Dec 2008	MGT	Fermuse, supplied customers on Southern Shore of the Avalon Peninsula during transmission line outage
Nov 2008	MGT	Bell Island, supplied customers during submarine cable outage
Oct 2008	MGT	Port aux Basques, supplied customers during Hydro's transmission line outage
Sept 2008	MGT	Abraham's Cove, supplied customers on Port aux Port Peninsula during transmission line outage
June 2008	MD3	Salvage, supplied customers on the Eastport Peninsula during distribution line outage

The Company's mobile generation provides least cost, reliable service to customers at times of system peak or system distress, as well as during extended unplanned outages and planned maintenance of the transmission and distribution systems.