

1 Q. **Project C10: Replace Interior and Exterior Protective Coating on Surge Tank 2 - Bay**
2 **d’Espoir**

3 With respect to the “Development of Alternatives” for this Project, has Hydro
4 analysed the estimated cost of inspections and periodical localized repairs of the
5 interior coating of Surge Tank 2? If so, please provide details of such estimated
6 costs.

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9 A. Yes, costs of inspections and periodic localized repairs have been estimated and are
10 included in the Cost Benefit Analysis found in the report.

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12 As per Vol II, Tab 4, Section 3.3.1, an inspection of a full coating repair will be
13 required every 5 years with a full recoat required in approximately 25 years. Noted
14 in Section 3.3.2, localized treatment would require an inspection every one to two
15 years. Given the age of the existing coating and that it is beyond the
16 manufacturer’s life expectancy of 25 years, it is anticipated that spot coats will be
17 required every 5 to 10 years depending on the results of inspections.

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19 Below is a summary of the inspection and repair costs included in the cost benefit
20 analysis as well as the frequency for these items.

	task	cost	frequency
Partial Coat	inspection	\$58,000	every 2 years
	spot coating	\$2,783,000	every 7 years
Full Coat	inspection	\$58,000	every 5 years

1 The inspection costs are reflective of the costs Hydro has paid to a consultant to
2 complete each of the latest inspections on the surge tanks over the last few years.
3 The cost to complete a spot coating repair is based on discussions with contractors
4 experienced in coating application, including their experience on the associated
5 scaffolding costs, as well as the cost estimate completed in the report for a localized
6 repair. The costs listed above in this response are in today's dollars and for clarity,
7 do not include escalation.