Re: Page B-16, Install Meteorological Stations, $222,000

Q. Please provide a cost benefit analysis, if available, supporting the installation of meteorological stations at these four sites.

A. As noted in PUB NLH 9.0, no formal analysis has been produced that directly addresses the cost-benefit assessment of installing meteorological stations noted.

Spill events are relatively common on the island interconnected system, taking place in seven of the past ten years. Not all spills are avoidable, as sometimes even with all plants maximizing output nothing can be done to avoid spill. Nevertheless, some spill events can be avoided or mitigated with sufficient information by shifting production between plants. In light of the magnitude of the potential savings that can arise, such as those identified in PUB NLH 9.0, a formal cost-benefit study was not necessary.

In addition to the benefits of spill avoidance/mitigation, improved information within the watersheds will allow Hydro to tailor reservoir drawdown policies to known snowpack conditions, allowing opportunity to keep hydraulic generating units operating closer to optimum efficiency points. Improvements would be impossible to measure due to the multitude of contributing factors. In general, generation scheduled with a reservoir drawdown policy based upon current system conditions will be more efficient than generation based upon a drawdown policy to protect against historic inflow conditions.