

1 Q. **Re Complete Condition Assessment Phase 2**

2 At p. 5 of the report at Tab 5 it states that the Phase I study was based on the
3 following assumptions:

4 Holyrood will be required to operate as a generating facility at a CF between 30
5 percent and 75 percent until 2016;

6 Holyrood will be placed in standby generation mode from 2016 until 2020;

7 and

8 Holyrood will be converted to a synchronous condensing facility prior to 2016 and
9 will operate as such beginning in 2016 and into the future. At page 5 Hydro states
10 that, "Level I assessment provides a rough estimate of the useful life of a power
11 plant and makes recommendations for a more detailed investigation as part of a
12 Level II study." In Hydro's assessment should these assumptions be revisited in light
13 of the delay in sanctioning the Lower Churchill Project?

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16 A. These assumptions are still consistent with the current plans regarding the Lower
17 Churchill Project. Should the Lower Churchill decision be delayed beyond the end of
18 2010 the assumptions will be revisited at that time.