Q. **Re: Unit 1 and Unit 2 Generator Stator Rewind (Tab 2)**

At page 21, please provide the basis for assuming a 30 percent risk of stator winding failure and the basis for a 10 percent increase year to year. Have these assumptions taken into account AMEC's recommendation of a "bump" test if no winding takes place? If this bump test was completed, would there be a corresponding reduction in the associated risk of failure on a go-forward basis?

A. The risk values referenced in the question are judgements by an independent consultant AMEC, including input from Robert Jeffries, Generator Specialist contracted by AMEC, to assist in the analysis of the present condition and remaining life of Holyrood Units 1 and 2 stator windings.

A bump test is an acoustical measurement of the physical response of the stator to a slight tap of the end of stator. It is a non-destructive test used to determine if there are any loose components such as windings or blocking within the stator. A bump test will be carried out on Unit 1 during the 2012 major outage. It should be noted that a bump test and any resulting blocking that may be added will have no effect on the stator winding insulation degradation issues that are the paramount concern. As such, no corresponding reduction in associated risk of stator winding insulation failure would be realized with the completion of this test.