

1 Q. **Re: Fuel Oil Storage Facility - Refurbishment of Tank 3**

2 What will be the acceptable minimum level of fuel storage at Holyrood after the
3 Labrador Infeed is In-Service? After 2020?

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6 A. Under Hydro's current assumptions, there would be two full tanks of fuel at the
7 Holyrood facility at the in-service date of the Labrador Infeed. This represents
8 storage of approximately 440,000 barrels, the new acceptable minimum level of
9 fuel storage following commissioning of the Labrador Interconnection. It is intended
10 for Holyrood to remain operable as a generating station for a number of years
11 before the thermal aspect of the station (boilers, turbines, fuel systems, etc.) is
12 decommissioned. The conceptual base case plan is to operate as needed through
13 2016, and as a backup but with minimal operation for 2017 to 2020. The minimum
14 assumption is, each unit would operate one week per year - two days at full load
15 and five days at 100 MW to ensure availability. As well, consideration is being given
16 to maintaining one unit in hot standby for the first winter season to ensure that unit
17 is available within two hours. With the hot standby approach, the fuel use would
18 increase by approximately 60,000 bbls from the minimum. In 2020, the intention is
19 to consume the remaining fuel in the tanks. No further storage is required after
20 2020.