

1 Q. **Re: Technical Conference Phase II Presentation NO. 1 – Holyrood Condition**
2 **Assessment Technical Conference, pages 10 and 12; Capital Plan, page A-7.**

3 With respect to the assets required for synchronous condenser operation of the
4 Holyrood plant beyond 2020, has Hydro evaluated alternatives to the proposed \$15
5 million auxiliary boiler for the plant heating system, which requires the additional
6 expense of maintaining cooling water systems (including pump houses and the
7 waste water treatment plant) beyond the shutdown of thermal operation of the
8 plant?

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11 A. At this point in time, Hydro has not commenced a process to identify and evaluate
12 the most cost effective way to provide plant heating and is not seeking approval of
13 this funding at this time. The plant did, at one time, have an auxiliary boiler which
14 was removed some years ago. Plant heating was then achieved with steam from the
15 generating plant as it was preferable to replacing the auxiliary boiler. At this stage,
16 an auxiliary boiler was identified as one option and a placeholder for a potentially
17 significant expense. Prior to seeking funding to provide plant heating, an
18 assessment will be completed to identify the optimum system to provide this
19 requirement which will consider capital and operating cost. All prudent options will
20 be considered and capital funding for the project will be sought following that
21 review. It will need to be in service prior to the shutdown of the last generator or in
22 the early fall after the shutdown if the timing of that shutdown is in early summer.