

1 Q. **Re: Technical Conference Phase II Presentation NO. 1 – Holyrood Condition**
2 **Assessment Technical Conference, page 13.**

3 Has Hydro undertaken, or if not does it plan to undertake, a cost analysis to
4 determine whether establishing the required synchronous condenser capacity for
5 operation of the DC link would be least-cost if sited other than at the Holyrood
6 plant?

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9 A. To date Hydro has not performed a cost benefit analysis to determine whether
10 establishing all required synchronous condenser capability for the operation of the
11 HVdc link at a single site such as the proposed Soldiers Pond Converter Station
12 would be a least-cost option when compared to maintaining the Holyrood plant in a
13 synchronous condenser mode and installing fewer new synchronous condensers at
14 the Soldiers Pond site. System integration analysis of the HVdc link has identified
15 the need for three high inertia synchronous condensers at the Soldiers Pond site in
16 addition to the three lower inertia units at Holyrood. Project economics has been
17 demonstrated at Decision Gate 2 based upon the associated costs with this “two
18 plant” synchronous condenser arrangement. As part of detailed engineering in
19 preparation for Decision Gate 3 and project sanction, analysis is underway to refine
20 the total synchronous condenser requirements for the HVdc Link and the least-cost
21 solution will form part of the overall project estimate.