

1 Q. **Re: B-5, Rewind Generator Units 1 and 2, \$112,200 in 2012, \$1,107,600 in 2013,**  
2 **and \$10,681,400 in future years**

3 On page 21 of Volume I, Tab 2, Hydro states that: *"The assumption is that there*  
4 *would be a 30 percent risk of stator winding failure in the year after the base case*  
5 *rewind date, and growing by ten percent per year....."* Please provide details of how  
6 this 30 percent risk, growing by ten percent per year, was determined.

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9 A. This assumption is based on a condition assessment performed on the equipment in  
10 2011 whereby an analysis performed by generator specialist from AMEC, concluded  
11 that for Unit 1 there is a 30 percent probability of a failure of the stator by 2016 and  
12 that this probability would increase by ten percent per year. For Unit 2, AMEC  
13 concluded there is a 30 percent probability of a failure of the stator by 2015 and  
14 that this probability would also grow by ten percent per year.