Q. Re: Burnt Spillway Refurbishment Volume II (Tab 6)

At page 10, Hydro makes reference to the Hatch Engineering Report, 2008, Appendix A, which outlined that the Burnt Spillway had the lowest overall Health Index when compared to the seven other hydraulic structures of similar vintage within the Bay d'Espoir development. The Health Index found at page A-6 indicates that Hatch rated Burnt Spillway a 66. In the corresponding Health Index scale, a 66 Health Index is listed as a good condition. Requirements outline an increase inspection or testing with a consideration to replacement or rehab for deteriorated items. Given this good Health Index, why is it necessary to make this refurbishment at this stage?

A. To assist Hydro in predicting the scope of refurbishment work and its cost estimate, a service company, Weir Power and Industrial Services, was consulted. To perform a thorough internal inspection, the gearboxes and hoists need to be removed and transported to a service center. It is cost effective to address any deficiencies that are identified at that time before the equipment is returned to service rather than re-assembling the equipment, returning it to site, re-installing and placing back in operation, only to have it removed and refurbished at a later time. This would duplicate cost, require additional outage times, and extend operating time for equipment identified as having internal deficiencies.

The 2008 Hatch report was a relatively high level assessment based upon external inspection of the equipment, its operating history, maintenance records and discussions with maintenance personnel. With the information Hatch had available at that time, they gave the system a Health Index of 66 indicating it to be in good condition. However the assessment was limited and did not include detailed

internal inspection. With consideration to the limited assessment, Table 2-1 on page A16 identifies requirements to perform increased inspection and replace or rehabilitate deteriorated items even though Hatch rated the equipment as being in good condition. A detailed internal inspection is required to determine if there are pending problems inside this 45 year-old mechanical system that may not be obvious from an external visual inspection. This project proposes to perform internal inspections and is budgeted to perform refurbishment work that is commonly encountered after a detailed inspection on this type of equipment has been performed.