

- 1 Q. Re: Refurbishment of the Fuel Oil Storage Facility
- 2 Given the base case for Holyrood, why is there a need for a Fuel Oil Level Indication
- 3 System at a cost of \$190,000.00 when according to the base case, by 2017 a total of
- 4 32,000 barrels of oil per annum are expected to be consumed at Holyrood?
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- 7 A. Reconciliation of fuel oil inventory vs. consumption will be required as long as oil is
- 8 stored at the Holyrood facility. This is independent of plant status. In the context of
- 9 the anticipated operating regime, it is unlikely that the fuel oil storage tanks will be
- 10 decommissioned earlier than 2020.
- 11 • Dipping the tanks manually is a high risk task, with the personnel performing the
 - 12 gauging being exposed to wind and weather, risk of fall, injury and physical
 - 13 stress. Access to each tank is via a spiral staircase which rises to 48 feet, with no
 - 14 rest platform. Personnel must ascend and descend each of the four tanks to
 - 15 complete the dip as there are no interconnecting gangways between tanks. A
 - 16 fatality on the top of Tank 4 in October 2005 has also highlighted the difficulty
 - 17 of rescue from the top of any storage tank.
 - 18 • End of month dips are required to be made at midday on the last day of each
 - 19 month. Stormy weather has interfered with this task in the past, causing
 - 20 additional reconciliation effort.
 - 21 • The data generated by the dipping is used to create a report which is required
 - 22 by the Provincial Gas and Regulated Products (GAP) regulations. If
 - 23 instrumentation is installed, this report can be populated automatically. With
 - 24 the instrumentation comes the ability to monitor the levels of each tank
 - 25 continuously, comparing the drawdown with consumption and send an alarm to
 - 26 the plant control room if there is a sizeable variance. The system can therefore

- 1 act as an early warning of a potential oil spill, and could mitigate both the
- 2 financial and environmental impact of a spill.
- 3 • Instrumentation will eliminate the human error factor, allowing more precise
- 4 data to be collected.