

1 Q. Refurbishment of the Fuel Oil Storage Facility, Holyrood Thermal Generating
2 Station

3 If the availability of No. 6 fuel were the only factor to be considered over the next
4 two-year period, would it be possible to place orders, schedule deliveries, or
5 change quantities delivered so that the necessary levels can be maintained without
6 the use of Tank #3? Why or why not?

7
8
9 A. As discussed in the response to PUB-NLH-9, there are only two fully rehabilitated
10 tanks at Holyrood, and the two remaining tanks are in need of major work.
11 Recognizing the condition of these tanks and the types of delays that can occur,
12 relying strictly on replenishment solutions exposes customers to the risk of Hydro
13 being unable to meet firm production requirements. If there were no delays in
14 shipments, and if there were no restrictions on deliveries, quantities or timing then
15 it is conceivable that necessary levels could be maintained without the use of Tank
16 3. However, it is Hydro's position that proceeding under such assumptions is not
17 consistent with Hydro's responsibility to provide reliable, least cost service,
18 irrespective of the planning horizon.