

1 Q. (April 10, 2014 report entitled Supply and Install 100 MW (Nominal) of Combustion
2 Turbine Generation) It is stated that a combustion turbine located at Holyrood
3 provides (page 8) *"The ability to return the leased black start diesels at Holyrood"*.
4 What annual savings and impact on rates are expected to result from this and when
5 will the leased units be returned?

6

7

8 A. The leased blackstart diesels are planned to be returned in mid-year 2015 once the
9 blackstart equipment on the new combustion turbine have been commissioned.
10 This timing is consistent with Hydro's application for approval of the leased
11 blackstart diesels in November 2013.

12

13 The above quoted statement highlights that if the new combustion turbine is not
14 purchased and installed, the leased blackstart diesel units would have to remain
15 and either be purchased or be replaced with another blackstart solution to retain
16 local blackstart capability. Hydro has not completed a rate impact analysis on the
17 scenario that the new combustion turbine will not be approved, and the blackstart
18 diesels remain in service either through a purchase or extended lease.