

1 Q. On page 32 of the Report it is stated that Hydro considered adding a second 60 MW
2 combustion turbine. Explain in detail why Hydro decided not to add a second 60
3 MW combustion turbine and to increase the size of the proposed unit from 60 MW
4 to 100 MW.

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7 A. As noted on page 32 of the Report, the new (as opposed to aftermarket)
8 combustion turbine that Hydro was considering was a concept similar to existing
9 plants at Stephenville and Hardwoods where the generator sits between two
10 combustion turbines and either turbine can be run separately for half power or
11 together for full power. Hydro was exploring the option of purchasing and installing
12 this unit with either one or two 60 MW combustion turbines, as noted at the
13 bottom of page 32. The 60 MW combustion turbine unit fitted with a 120 MW
14 generator with an option to add a second 60 MW combustion turbine was
15 estimated at \$120.8 million. The full 120 MW facility with two 60 MW combustion
16 turbines and a common 120 MW generator could be installed by December 2015 at
17 an estimated cost of \$151.2 million.

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19 From page 8 of the Report:

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21 *During the investigation of options for meeting the 60 MW combustion turbine*
22 *requirement in 2015 and, while examining options for a more immediate generation*
23 *addition during January of 2014, Hydro identified several combustion turbine*
24 *options that, with expedited regulatory approval and contract award, could provide*
25 *capacity up to 100 MW and in service late in 2014. An analysis with budgetary*
26 *quotations from suppliers has determined that by going to the pre-owned but*
27 *unused or aftermarket, a combustion turbine can be brought into service at*

1 *Holyrood in late in 2014 within the estimate of a new 60 MW combustion turbine*
2 *with an in service of December 2015. Therefore, the least cost, reliable option could*
3 *be a pre-owned but unused 100 MW combustion turbine plant installed at Holyrood*
4 *in late 2014.*