Page 1 of 1

| 1 | Q. | In evaluating the options, particularly the procurement of one 100 MW unit versus |
|----|----|---|
| 2 | | one 60 MW unit, has Hydro considered the total forecast O & M costs, including the |
| 3 | | efficiency factor, over the life of the machines considered? If no, why not? If yes, |
| 4 | | provide this evaluation. |
| 5 | | |
| 6 | | |
| 7 | A. | It is anticipated that the O&M costs for the machines that were considered would |
| 8 | | be similar. With respect to the efficiency factor, the projected operating hours each |
| 9 | | year is anticipated to be low as the new unit will be used primarily for peaking and |
| 10 | | emergency generation and the differences in efficiency between units is not |
| 11 | | significant. Therefore, the O&M costs were not a major consideration in the |

procurement decision and an evaluation was not undertaken.

12