

1 Q. Reference: Install Fire Protection Upgrades, Volume I, Section D, Page D-76 to  
2 D-77  
3 *“FM Global, Hydro’s insurer, has noted their concern with risk associated with the*  
4 *No. 6 fuel oil systems at Holyrood in their report FM Global Risk Report, Fire and*  
5 *Natural Hazards Special Risk Evaluation, Holyrood Thermal Plant, Aug 24, 2011*  
6 *(see Appendix A, pages A-7 and A-8 (target 08-10-001)). Due to the large*  
7 *quantities of No. 6 fuel oil that is present inside the plant, FM Global has*  
8 *recommended a number of measures that if installed, will reduce the likelihood*  
9 *that the fuel system will feed an existing fire.*

10 Will completing this work result in a decrease in insurance premiums?  
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13 A. The completion of this work will not result in a decrease in insurance premiums.  
14 Premiums are calculated on a number of criteria such as location, loss history and  
15 age. The completion of the recommended activities would assist in the prevention  
16 of future losses, which would otherwise have a negative impact on Hydro’s  
17 insurance premiums.