

1 Q. Have any maintenance cost studies been conducted to compare the results
2 for Holyrood to similar facilities operated by other utilities? Has any
3 benchmarking been undertaken?
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6 A. Solomon Associates, a recognized benchmarking and consulting
7 organization, performed a Comparative Performance Analysis of the
8 Holyrood facility for the years 2002 and 2003. The analysis compared the
9 plant's operation, including cost, against approximately 200 similar units that
10 are either gas or oil fired. However, it must be recognized that due to
11 Holyrood's unique operating circumstances a direct comparison is not
12 feasible. The Holyrood Generating Station, as the only thermal plant in an
13 isolated electrical system, is unique. The mode of operation is not only
14 influenced by electrical demand, as it is for all thermal plants, but heavily
15 influenced by seasonal and even daily weather conditions (which significantly
16 changes the requirement for domestic electric heat) and water levels in the
17 various hydraulic power plant reservoirs (which are also subject to rapid
18 changes caused by weather). Holyrood, as the sole thermal plant in the
19 Hydro system, does not have sister plants with which it can share
20 operational, maintenance and support costs, to achieve better economies of
21 scale. Holyrood also has a very low annual capacity factor compared with
22 other plants (typically less than 40% and greater than 70%, respectively).
23 These factors make benchmarking and comparisons with other Canadian or
24 North American plants difficult.