

B-14 Holyrood Condition Assessment, \$3,334,900

Q. How will the Condition Survey 1999, which concluded that "...if the three plants [Holyrood Generation Station, Hardwoods Gas Turbine, Stephenville Gas Turbine] are operated in future in a manner similar to which they have been operated in the past, it can be stated conservatively that they can be expected to operate for at least another 20 years." be used to support and to minimize the cost of this undertaking?

A. The 1999 Condition Survey was based on a review of maintenance documentation and a superficial inspection of the facility. The report described the three level approach to thermal plant condition assessment developed by the Electric Power Research Institute and stated that the 1999 survey followed the Level 1 methodology, which is described on Page 3: "*A Level 1 assessment is intended to quickly determine the basic condition of a power plant, to roughly assess its useful life and to identify components, systems or facilities which require attention. The Level 1 assessment also helps the utility to select which components require additional investigation, in the case of a full three level life assessment investigation, and assists personnel in selecting the sampling and testing methodologies to be used in Level 2 and 3 assessments.*" This report will be made available to the consultant performing the 2007 assessment, to assist in the selection of systems and components which require Level 2 and 3 assessments.