

1 Q. (Re: December 18, 2012 Letter from Hydro to Board entitled *Newfoundland and*  
2 *Labrador Hydro - 2013 Capital Budget Application*) Please outline in detail the  
3 approval steps and dates relating to the withdrawal of the four Holyrood capital  
4 projects.

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7 A. These four projects were withdrawn from Hydro's 2013 application with Hydro  
8 executive leadership approval due to refinements and changes in the anticipated  
9 deployment of Holyrood with the sanctioning of the Muskrat Falls project. In  
10 particular, the change was that the electrical generators on Units 1 and 2 would no  
11 longer be required to operate as synchronous condensers once the Labrador Island  
12 Link is in service.

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14 The projects were withdrawn to review their continued viability in light of the new  
15 future operation of the Holyrood facility. This review was completed during the  
16 winter months of 2013 and three of these projects were deemed necessary to  
17 ensure the long-term safe and reliable operation of the generating units and were  
18 resubmitted and received Board approval for completion in 2014. Specifically, these  
19 Holyrood plant projects were:

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- 21 1. Install Cold Reheat Condensate Drains and High Pressure Heater Trip Level;
- 22 2. Upgrade Vibration Monitoring System; and
- 23 3. Install Fire Protection Upgrades.