

1 Q. What lessons and required changes has Hydro identified to date from its experience
2 in December 2013 and January 2014 including those relating to system operations,
3 equipment maintenance, emergency preparedness, coordination with
4 Newfoundland Power, communication with customers, required conservation
5 initiatives, its planning process and its load forecasting process? Include in the
6 answer whether Hydro has yet started to implement any initiative and the status of
7 any identified lessons and required changes.

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10 A. One of the key undertakings that has been initiated through the internal review of
11 the supply issues and power outages that occurred in January 2014 is a lessons
12 learned exercise. This initiative began as soon as all of the system restoration
13 activities were completed and will include consultations with the people in various
14 areas of Hydro that were involved in or had an impact on the outages and supply
15 disruptions and subsequent restoration efforts.

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17 Working sessions are currently underway with several different focus areas
18 including: Holyrood, Gas Turbines, ECC, Hydro Generation, Exploits Generation,
19 Transmission and Terminals, Corporate Communications, Corporate Emergency
20 Response Plan, IT Support/Network Services, and Customer Services and
21 Conservation.

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23 The purpose of this lessons learned initiative is to identify things that went well and
24 opportunities for improvement. Following the working sessions, an analysis will be
25 undertaken of the lessons learned and an action plan will be documented and
26 executed as appropriate. Throughout the lessons learned process, if actions are

1 identified that make sense to implement immediately, this will be done and the
2 lesson learned related action and implementation status will be documented.

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4 The following is a listing of some of the lessons that have been identified and acted
5 upon to date:

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- 7 1. Having crews at Granite Canal, Cat Arm and Sunnyside improved response
8 to equipment problems in these stations during the severe weather on
9 January 4, 2014. Deployment of work crews to remote plants and terminal
10 stations prior to the onset of a severe storm to reduce response time in the
11 event of weather related unplanned equipment problems will be continually
12 reviewed and optimized based on forecast storms;
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14 2. There were issues with the Stephenville Gas Turbine during the event. More
15 frequent starting and running of the standby generation prior to severe
16 weather will be undertaken to allow time to identify and correct issues to
17 ensure plant availability when required. This practice will be reviewed
18 following this winter to determine the success of this practice and its
19 ongoing necessity; and
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21 3. There were diesel fuel supply problems throughout the Province during this
22 event which made it difficult for Hydro's supplier to maintain required
23 deliveries for continuous gas turbine plant operation at Stephenville. In
24 order to be prepared for sustained operation, as Provincial supplies recover,
25 Hydro will increase and maintain its fuel inventory levels within existing
26 storage capability at the gas turbine plants. This practice will also be
27 assessed following this winter to determine whether unforeseen issues with
28 larger inventories may occur.