

1 Q. In its August 12, 2016 letter to the Board in relation to The Board’s Investigation  
2 and Hearing into Supply Issues and Power outages on the Island Interconnected  
3 System – Phase Two – Filing of AMEC Report, Hydro states:

4 *“Based upon their calculations for Unit 3, AMEC recommends*  
5 *operating at 90% of the operating pressure and replacement of*  
6 *some tubes within the next year.”*

7 Does Hydro’s Application include capital expenditures that will be used to  
8 replace some of the Unit 3 boiler tubes as recommended by AMEC? If  
9 not, does Hydro intend to file a supplemental capital budget application  
10 for the replacement of some Unit 3 boiler tubes?

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13 A. Hydro’s 2017 Capital Budget Application does not include capital expenditures to  
14 replace any of the Unit 3 boiler tubes. The analysis that led to this recommendation  
15 was completed after the submission of the application. Further testing and analysis  
16 is planned for the fall of 2016. Hydro will review the results of the additional  
17 inspections with AMEC, and depending upon the results, intends to file a  
18 supplemental capital budget application for any tube replacements that are  
19 required. Replacements would be performed after the 2016/2017 winter season.