

1 Q. **Tab 4; Volume II: Install Plant Heating System (Holyrood Thermal Generating**  
2 **Station)**

3 Is there potential for future cost savings by integrating Unit 3 into future  
4 synchronous condensing requirements?

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7 A. Holyrood Unit 3 has been designated for synchronous condenser operation and, at  
8 this stage, Hydro has not identified any incremental synchronous condensers  
9 requirements. Operational studies for high power operation of the HVdc links are  
10 scheduled to be performed in 2018. These studies will allow for an assessment of  
11 system inertia and dynamic reactive support considerations on the Avalon  
12 Peninsula using updated HVdc models. These studies will also include a review of  
13 the reliability considerations including Bay d’Espoir instabilities and HVdc restarts.

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15 In the event that additional dynamic reactive support is required, the outcomes of  
16 the studies identified above would be used in the evaluation of alternatives to  
17 determine the most cost-effective solution. Alternatives may include the  
18 permanent post-steam conversion of Holyrood Unit 1 and/or Holyrood Unit 2  
19 and/or the addition of new synchronous condenser units on the Avalon Peninsula.