

1 Q. Reference: *Lower Reheater Replacement – Units 1 and 2*, Page 23, Lines 25-26.

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3 *“This project is expected to cost approximately \$11.8 (sic) and will take eight (8)*
4 *months to complete.”*

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6 On Page A-4 of Hydro’s *2016 Capital Budget Application* (approved in Order No.
7 P.U. 33 (2015)), Hydro lists approximately \$8.6 million of capital expenditures
8 associated with Unit 3 at Holyrood. Given that the replacement of lower reheater
9 boiler tubes on Units 1 and 2 was not anticipated in the 2016 Capital Budget
10 Application, has Hydro adjusted its 2016 workplan to accommodate the increased
11 work requirements and capital expenditure requirements for 2016? If so, please
12 describe the adjustments. If not, why not?

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15 A. Yes, as part of the planning for this application, Hydro has adjusted its work plan to
16 incorporate the increased work and capital requirements. Units 1 and 2 were
17 previously planned for annual maintenance and the work associated with the boiler
18 tube replacements is planned to coincide with the annual maintenance. The
19 proposed tube replacement work will not impact the schedule of the previously
20 planned outages and there is no required outage extension. The tube replacement
21 work is primarily performed by specialized contractors with incremental resources
22 and will not materially impact Hydro's internal forces and the ability to compete the
23 previously planned scope of maintenance work.

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25 For clarity, Hydro notes that the 8 month reference includes all aspects of this
26 project, including actual tube replacements for both units but also non-construction
27 activities that occur before the units are out of service and when the units are back

1 in service. Such non-construction activities include procurement, report writing and
2 documentation. Also, Units 1 and 2 will not be completed at the same time, and
3 therefore the sequential timing of both unit's work is built into the time frame of 8
4 months. It is estimated that the tube replacement work will take approximately 6
5 weeks each.