

1 **Re Page B-36:**

2 Q. The Introduction to the SGE Acres report proposed a four year
3 implementation plan from 2008 to 2011. Hydro, as noted in the Project
4 Description (page B-36), has already elected to defer this Project by one
5 year, with a proposed start date of 2009. Could a 20-year extension of the
6 useful life of the tank farm still be obtained if there was a further one-year
7 deferral of the commencement of the bulk of this Project, from 2009 start to
8 2010 start (so as to allow for a further year for release of the Provincial
9 Energy Plan and assessment of its impact for the future of the Holyrood
10 plant)?

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13 A. Yes, a 20-year extension to the useful life of the tank can be obtained by
14 completing this work in either 2008 or 2009. However, because the tank has
15 to be drained in 2008 to effect a valve repair, and because in draining the
16 tank costs would be incurred in the range of \$200,000, it is prudent to carry
17 out this project in 2008 to avoid draining the tank twice.