IN THE MATTER OF the *Electrical Power Control Act*, RSNL 1994, Chapter E-5.1 (the "EPCA") and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (the "Act") as amended, and their subordinate regulations; and

AND IN THE MATTER OF an Application by Newfoundland and Labrador Hydro pursuant to Subsection 41(3) of the Act, for the approval to upgrade Unit 1 stack breeching and to upgrade the fuel oil storage facility at the Holyrood Thermal Generating Station

REQUESTS FOR INFORMATION OF THE ISLAND INDUSTRIAL CUSTOMERS

IC-NLH-1 Provide for each project (**Unit 1 Stack Breeching**; **Fuel Oil Storage Facility**), updated versions of the schedules at section 5.2 of each of the respective July 11 Hydro reports filed to support these projects, based on the assumption these projects would be approved by the Board in September 2011. Identify in each updated schedule the estimated amount of proposed expenditure planned to be incurred at each milestone date.

IC-NLH-2 **Unit 1 Stack Breeching:** With reference to Table 1 in section 3.4 and to section 4.3 of the July 2011 Hydro report supporting this Project, confirm that the average of the 11-year maintenance cost history, on which the estimated $49,391 per year O&M cost for Alternatives 1, 3 and 7 is based, fully includes the $321,000 incurred in 2006.

IC-NLH-3 **Unit 1 Stack Breeching:** How much of the $321,000 maintenance cost incurred in 2006 ($320,000 of which was for "Corrective Maintenance") was attributable to the replacement of the floor in Unit 1 in 2006 (as referred to at page B-77 of the Alstom report, Tab B of Hydro's July 2011 report)?

IC-NLH-4 **Unit 1 Stack Breeching:** What would be the average of the 11-year maintenance cost history for Unit 1 if only that part of the maintenance cost incurred in 2006 which was not attributable to the replacement of the floor in Unit 1 in 2006 was included in the calculation of that average?

IC-NLH-5 **Unit 1 Stack Breeching:** Has Hydro been advised by any of its consultants, or does Hydro have any other evidence, that the floor of Unit 1 will require replacement within the study period of the CBA for the Alternatives considered in section 4.3 of the July 2011 Hydro report?

IC-NLH-6 **Unit 1 Stack Breeching:** With reference to section 4.3 of the July 2011 Hydro report, what would be the CPW of Alternatives 1, 3 and 7 if the annual O&M cost was estimated to be the average of the 11-year maintenance cost history for Unit 1 calculated without inclusion of the floor replacement cost incurred in 2006?

IC-NLH-7 **Unit 1 Stack Breeching:** At page 9 of the July 2011 Hydro report, Hydro identifies that typical maintenance repairs have included replacing missing or loose insulating block on the breeching interior, the installation of steel plate patches on the breeching exterior to cover holes caused by extensive corrosion, and applying protective coatings to the breeching exterior.

(a) How much of the Corrective Maintenance costs (per Table 1: Maintenance History) were attributable to the above-identified typical maintenance repairs?

(b) How much of the Corrective Maintenance costs (per Table 1: Maintenance History) were attributable to maintenance repairs or causes other than the above-identified typical maintenance repairs? Provide a breakdown of the costs for each non-identified maintenance repair or other cause for the incurring of the Corrective Maintenance costs.

(c) Will all of the types of maintenance repairs incurred per Table 1: Maintenance History be reduced if Alternative 2 is implemented, so that total maintenance costs (preventative and corrective) for the 9-year CBA period will be $4,000 per year?

(d) At page 8 of the July 2011 Hydro report, Hydro identifies that in January 2009, Hydro switched to fuel oil with a sulfur content of 0.7 percent, thereby decreasing the future rate of deterioration. If that is the case, then why is it expected, under Alternatives 1, 3 and 7, that the costs of Corrective Maintenance will on average remain the same for the next 9 years under those Alternatives as it has been for the previous 11 years? Is this expectation supported by any consultant's opinion?

IC-NLH-8 **Unit 1 Stack Breeching:** With reference to section 4.3, page 20 of the July 2011 Hydro report, what is the "slightly less initial capital cost" of Alternatives 3 and 7 as compared to the initial capital cost of Hydro's proposed least cost alternative ($1,853,900)? What are the components of the initial capital cost for Alternatives 3 and 7, broken down by description and respective cost?

IC-NLH-9 **IC-NLH-9 Unit 1 Stack Breeching:** The Project Description includes ice protection shelters. How much of the initial capital cost of the Project is attributable to the proposed ice protection shelters?

IC-NLH-10 **Unit 1 Stack Breeching:** Has Hydro prepared or obtained an analysis of the cost impact of the absence of ice protection shelters over the 9 year study period for the CBA?

IC-NLH-11 **Unit 1 Stack Breeching:** With reference to Hydro's response to CA-NLH-4 and CA-NLH-5 in the 2011 Capital Budget Application, this Project (or a Project substantially similar) was ranked 43rd out of 53 ranked projects. What is the relative rank of this Project, in relation to the Projects recently filed in the 2012 Capital Budget Application?

IC-NLH-12 **Unit 1 Stack Breeching:** With reference to page 8-112 of the Holyrood Condition Assessment and Life Extension Study report filed with the Board on May 2, 2011, does Hydro agree that the safety risk from corrosion/failure of Unit 1 stack breeching is low?

IC-NLH-13 **Fuel Oil Storage Facility:** With reference Figures 1 through 4 of the July 2011 Hydro report supporting this Project, provide the same Figure representation for Fuel Storage Levels in 2006, 2007, 2008, 2009, 2010 and to the extent available in 2011.

IC-NLH-14 **Fuel Oil Storage Facility:** With reference to Table 4 of the July 2011 Hydro report, provide the complete detail of the assumptions on which the five year fuel consumption forecast is based.

IC-NLH-15 **Fuel Oil Storage Facility:** What is the Justification for the Roof Platform, Fuel Oil Indication System or Access Steps components of this Project? Has any consultant recommended the Roof Platform, Fuel Oil Indication System or Access Steps components of this Project?

IC-NLH-16 **Fuel Oil Storage Facility:** Do any of the other 3 Heavy Oil Tanks (Tanks 1, 2 and 4) have a Roof Platform or Fuel Oil Indication System as proposed by this Project for Tank 3?

IC-NLH-17 **Fuel Oil Storage Facility:** With reference to Section 3, page 8 of the July 2011 Hydro report, since 1980, in what years has tanker supply to Holyrood been delayed by ice blockage in Conception Bay?

IC-NLH-18 **Fuel Oil Storage Facility:** With reference to Section 3, page 11 of the July 2011 Hydro report, in what circumstance does Hydro anticipate a Heavy Oil Tank being "permanently out of service"? Is there any consultant analysis that supports such a circumstance as a reasonable possibility?

IC-NLH-19 **Fuel Oil Storage Facility:** With reference to Section 4, page 17 of the July 2011 Hydro report, has any government authority issued a regulation, order or directive requiring, or a recommendation, that access steps be installed between Tanks 1 and 2 and also between Tanks 3 and 4? Has there been any reported safety issue arising from the lack of

IC-NLH-20 **Fuel Oil Storage Facility:** Has there been any reported safety issues arising from the absence of access steps between Tanks 1 and 2 and also between Tanks 3 and 4? If so, provide copies of those reports.

IC-NLH-21 **Fuel Oil Storage Facility:** With reference to Hydro's response to CA-NLH-4 and CA-NLH-5 in the 2011 Capital Budget Application, what is the relative rank of this Project, in relation to the Projects recently filed in the 2012 Capital Budget Application?

IC-NLH- 22 **Fuel Oil Storage Facility:** With reference to page 11-93 of the Holyrood Condition Assessment and Life Extension Study report filed with the Board on May 2, 2011, does Hydro agree that the techno-eco risk and safety risk from corrosion of Tank 3 is low?

DATED at St. John's, this day of August, 2011.

POOLE ALTHOUSE

Per: _____
Dean A. Porter

STEWART MCKELVEY

Per: _____
Paul L. Coxworthy

TO: The Board of Commissioners of Public Utilities
Suite E210, Prince Charles Building
120 Torbay Road
P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Board Secretary

TO: Newfoundland & Labrador Hydro
P.O. Box 12400
500 Columbus Drive
St. John's, NL A1B 4K7

Attention: Geoffrey P. Young,
Senior Legal Counsel

TO: Thomas Johnson, Consumer Advocate
O'Dea, Earle Law Offices
323 Duckworth Street
St. John's, NL A1C 5X4

TO: Newfoundland Power Inc.
P.O. Box 8910
55 Kenmount Road
St. John's, NL A1B 3P6

Attention: Gerard Hayes,
Senior Legal Counsel