Q. Refurbishment of Tank 2.

Why was a 2022 update of the remaining life assessment not obtained from a tank inspection contractor, as was done in the case of the Day Tank?

A. Newfoundland and Labrador Hydro ("Hydro") has made two separate requests for an extension of Tank 2 to the provincial regulator.

The first request in 2018 was for an extension to 2021, which was the end of steam operation date for the Holyrood Thermal Generating Station ("Holyrood TGS") at the time, and would have allowed the tank to be retired without requiring an additional out-of-service inspection. This request was based on the 2018 remaining life assessment<sup>1</sup> and was accepted by the provincial regulator.

In February of 2020, operation of the Holyrood TGS was further extended to March of 2022. Hydro again approached the provincial regulator to extend the operation of Tank 2, this time as far as could be technically justified by the engineering consultant. This request was based around the 2020 remaining life assessment.<sup>2</sup> The same inspection data was used in this assessment as was used in 2018. The provincial regulator requested that a different API<sup>3</sup> standard (API RP 575<sup>4</sup>) be used in the analysis of the data. Based on this latest assessment, the provincial regulator agreed to accept operation of Tank 2 until June 2023 and not beyond.

There is no basis to complete an additional life assessment report. There is no new data that would support further extension, and the available data has been used to achieve the maximum extension acceptable to the regulator.

<sup>&</sup>lt;sup>1</sup> Please refer to IC-NLH-010, Attachment 1.

<sup>&</sup>lt;sup>2</sup> Please refer to IC-NLH-010, Attachment 2.

<sup>&</sup>lt;sup>3</sup> American Petroleum Institute ("API").

<sup>&</sup>lt;sup>4</sup> Inspection Practices for Atmospheric and Low Pressure Storage Tanks, API RP 575, 2020.