

1 Q. **General Topics**

2 With the reference to Off-Island Purchases Deferral Account proposed in Volume I,  
3 Chapter 6, Schedule 6-I, please explain if the Off-Island Purchases would be limited  
4 to replace Holyrood generation or it also be used to replace other sources of  
5 generation sources as well.

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8 A. It is expected that off-island purchases would primarily be secured to replace higher  
9 cost sources such as Holyrood Thermal Generating Station or standby generation;  
10 however, please refer to Hydro's response to IC-NLH-140 for a discussion related to  
11 the overall optimization and efficient operation of the Island Interconnected  
12 System.