

1 Q. **2017 General Rate Application - Operations**

2 Page 3.17, lines 25-27 – Explain why no secondary sales to CFB Goose Bay are
3 forecast for the test years 2018 and 2019.

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6 A. Hydro did not forecast secondary sales to CFB Goose Bay for the 2018 and 2019
7 Test Years as Hydro concluded through discussions with the operators of the CFB
8 Goose Bay heating plant that the likelihood of CFB Goose Bay utilizing secondary
9 energy in the electric boilers at their heating plant was low. The primary factors
10 affecting CFB Goose Bay’s decision to use or not use secondary energy in the 2018
11 and 2019 time frame include:

- 12 • The age and condition of CFB Goose Bay’s electric boilers;
- 13 • The limited amount of electric power available to CFB Goose Bay’s electric
14 boilers during the core winter months due to the existing transmission and
15 transformer capacity limits in Labrador east; and
- 16 • The price of secondary energy relative to their cost of No. 2 fuel.

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18 Subsequent to the completion of Hydro’s load forecast in March 2017, Hydro was
19 informed by CFB Goose Bay that the electric boilers that relied on secondary energy
20 are no longer viable for use and there is no plan to refurbish or replace these
21 electric boilers unless firm power becomes available for use by CFB Goose Bay for
22 heating plant electric boilers.