

1 Q. **Finance**

2 Page 4.7, footnote 24 – List the change in assumptions regarding the future use of
3 the Holyrood site and provide an explanation of Hydro’s intended use of the
4 Holyrood generating station following the immediate interconnection with Muskrat
5 Falls, including the period of time that is planned that the Holyrood Plant will
6 remain fully operational as a generating plant.

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9 A. Since the 2012 Holyrood decommissioning study was finalized, the operational
10 outlook for the Holyrood Thermal Generating Station has changed. The 2012
11 decommissioning study did not consider that the Holyrood site would be used for
12 the Holyrood Gas Turbine as the study was completed prior to the Board approval
13 for the Holyrood Gas Turbine (Order P.U. 16(2014)).

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15 At present,¹ Holyrood will remain in full capacity mode until the second quarter of
16 2018. The plant will then move into a standby production phase until the end of the
17 winter in 2021, with Units 1 and 2 available for generation and Unit 3 in
18 synchronous condenser mode. Decommissioning that Hydro is obligated to
19 complete, such as the No. 6 fuel tanks, will commence following the standby
20 production phase in 2021 and is scheduled to be completed by 2024. The Holyrood
21 Generating Station is expected to remain as an industrial site for the foreseeable
22 future with Unit 3 in synchronous condensing mode and the Holyrood Gas Turbine
23 in operation.

¹ Please refer to Hydro’s 2018 Capital Budget Application, Volume I – Holyrood Overview.