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Via Email / Courier

Board of Commissions of Public Utilities
120 Torbay Road, P.O. Box 2140
St. John's, NL A1A 5B2

**Attention: G. Cheryl Blundon, Director of
Corporate Services / Board Secretary**

Dear Ms. Blundon:

RE: Newfoundland and Labrador Hydro - 2018 Capital Budget Application

We have Hydro's Final Submission of October 19, 2017 which requires clarification.

Hydro states, at page 9 of 10, line 22:

The short and long term plans for the Holyrood Thermal Generating Station are laid out in detail in the Application. At no time has the full closure of the Holyrood Thermal Generating Station, been suggested.

Reference now the 2018 Capital Projects Overview, 3.1.2 Thermal Plant, page 7, line 13, wherein it is stated:

When the Labrador Island Link goes into service, the Holyrood plant will continue to be an essential component of the Island Interconnected System. Initially, the plant will function as a fully capable standby facility during the early years of operation of the HVdc system. After this initial period, the thermal assets will be decommissioned and the facility will be partially converted to a synchronous condensing facility. (Emphasis added)

Would not the decommissioning of the thermal assets constitute dismantling of the Holyrood Thermal Generating Station?


NP-NLH-140 references the General Rate Application and the Depreciation Study and refers to the Holyrood production retirement date of March 31, 2021.

Can Hydro please provide a straight-forward answer in reference to its plans to close the Holyrood Thermal Generating Station?

Also, if Hydro is converting the facility to a synchronous condensing facility to facilitate the Muskrat Falls Project, would not these expenditures fall to that project and not to ratepayers in a Capital Budget Application?

The Board should require clarity in reference to all these matters before approving any budgetary expenditures relating to Holyrood.

Yours truly,



Dennis Browne, Q.C.

Encl.
/bb

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