Page 1 of 2

1	Q.	In reference to the 214 MW hydro peaking unit capacity, being Bay d'Espoir at 150		
2		and Cat Arm at 64 MW:		
3		(a)	What would be the impact of this 214 MW hydro peaking unit capacity, if	
4			installed, of reducing Holyrood fuel for the Avalon winter peak?	
5		(b)	What is the cost of the 214 MW peaking units?	
6		(c)	Would the installation of the 214 MW of peaking capacity reduce summer	
7			water spills?	
8		(d)	Why did Hydro wait until 2017 to inform ratepayers that there was 214 MW	
9			of available peaking capacity on the island?	
10				
11				
12	Α.	Additional peaking units, presumably referenced as Bay d'Espoir Unit 8 and		
13		assur	ming a Cat Arm Unit 3, were not part of the 2018 Capital Budget Application,	
14		are not in Hydro's current generation planning requirements, and are not part of		
15		Hydro's peaking unit capacity. The Bay d'Espoir Unit 8 study is to estimate this		
16		potential generation source for inclusion in Hydro's portfolio of potential		
17		generation sources. No efforts have been made to date to estimate a Cat Arm Unit		
18		3.		
19		(a)	Peaking units, by definition, provide capacity to the system, but do not	
20			provide energy. Therefore, if these units were in the system they could help	
21			in system peak capacity; however, no additional energy would be available	
22			given that the water sources are already utilized in the system by the other	
23			Bay d'Espoir and Cat Arm units. Therefore there would be no effect on the	
24			fuel usage at Holyrood as the same system energy requirements would be	
25			necessary. If they were available, any spillage avoided by utilizing the water	
26			through these units would contribute to the annual system energy;	

Page 2 of 2

1		however, Hydro does not spill water at the time of year that the Avalon
2		system peak occurs;
3	(b)	Given that Bay d'Espoir Unit 8 is currently being studied, and Cat Arm Unit 3
4		has not been studied, no cost estimates are available;
5	(c)	Adding units to either the Bay d'Espoir or Cat Arm reservoir systems would
6		reduce the amount of summer spilling; and
7	(d)	Hydro utilizes all of its available units, and does not have an un-utilized 214
8		MW of peaking capacity in the system. Bay d'Espoir Unit 8 is being studied
9		for inclusion in Hydro's portfolio of potential generation sources for system
10		capacity, and there are no plans to study Cat Arm Unit 3. Currently, there
11		are no plans to build either of these units.