

1 Q. **Reference: Application, Attachment 1, Page 19, Lines 2 - 5**

2 Please explain Hydro's contingency plans, over both the short term and long term, to provide
3 electricity service to all customers on the southern Labrador systems if the regional diesel
4 generating station experienced a long-term outage (e.g. as result of a fire). Are all costs
5 associated with these contingency plans included in the economic analysis of the recommended
6 approach? If so, please provide details of these costs. If they are not included, why not?

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9 A. Newfoundland and Labrador Hydro ("Hydro") is including fire suppression in the new diesel
10 generating station, which was not present in the Charlottetown Diesel Generating Station
11 before the fire, so the risk of a long-term outage occurring as result of a fire is significantly lower
12 than was the case for the Charlottetown Diesel Generating Station.

13 Contingency plans are already in place to protect all of Hydro's diesel generation stations from
14 long-term outages. Examples of contingency plans include maintaining Hydro-owned backup
15 mobile generators as well as a record of rental mobile generators available in the province
16 should they become required. By nature of contingency plans already existing, and given that
17 Hydro's operations and maintenance ("O&M") estimates include consideration of existing O&M
18 expenditure, the contingency plans are inherently included within the economic analysis of the
19 recommended approach. However, as they are not included as a stand-alone consideration,
20 Hydro cannot provide detailed costs associated with the contingency plans.