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June 17, 2022

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**Via Electronic Mail**

Newfoundland and Labrador Board of Commissioners of Public Utilities  
120 Torbay Road  
P.O. Box 21040  
St. John's, NL A1A 5B2

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

Dear Ms. Blundon:

**Re: 2022 Hydro Supplementary Capital Expenditures – Holyrood TGS  
– Requests for Information of the Island Industrial Customer Group**

Further to the above, enclosed please find the Island Industrial Customers Group Requests for Information IC-NLH-001 to 016 dated June 17, 2022.

We trust this is in order.

Yours truly,

Stewart McKelvey

Paul L. Coxworthy

PLC/tas

Enclosures

ecc. Newfoundland and Labrador Hydro  
Shirley Walsh Email: [shirleywalsh@nlh.nl.ca](mailto:shirleywalsh@nlh.nl.ca)  
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Teck Resources Limited  
Shawn Kinsella, Email: [shawn.kinsella@teck.com](mailto:shawn.kinsella@teck.com)

1 IN THE MATTER OF the Electrical Power Control Act,  
2 1994, SNL 1994, Chapter E-5.1 ("EPCA") and the  
3 Public Utilities Act, RSNL 1990, Chapter P-47 ("Act"),  
4 and regulations thereunder; and  
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6 IN THE MATTER OF an application by Newfoundland  
7 and Labrador Hydro ("Hydro") for an Order approving  
8 various supplemental capital projects at the Holyrood  
9 Thermal Generating Station ("Holyrood TGS") pursuant  
10 to Section 41(3) of the Act.

11 **REQUESTS FOR INFORMATION OF**  
12 **THE ISLAND INDUSTRIAL CUSTOMERS GROUP**

13 **2022 Hydro Supplementary Capital Expenditures – Holyrood TGS**

14 **IC–NLH-001**

Hydro has committed to the extension of the Holyrood TGS, as a thermal generation plant, to March 31, 2024. Hydro's proposed capital expenditures will extend the expected operational life of components of the Holyrood TGS well beyond March 31, 2024 (e.g. by 10 years in the case of the proposed Tank 2 expenditures). In this context, it is reasonable to posit, as a relevant factor to consideration of Hydro's proposed supplementary capital expenditures on the Holyrood TGS, what is Hydro's best assessment,

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- based on the information presently available to Hydro, and
  - given that even with the continuing uncertainties around the commissioning and post-commissioning performance and reliability of the LIL, it is not reasonable for Hydro to resort to *ad hoc* year-to-year capital expenditure decisions of a substantial nature on a generation asset which is slated for decommissioning,
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30 of the likelihood of the Holyrood TGS being extended, as a  
31 thermal generation plant, to at least March 31, 2028 (i.e. a five-  
32 year planning horizon). With reference to the foregoing, please  
33 provide Hydro's best assessment of whether the extension of the  
34 Holyrood TGS, as a thermal generation asset, to at least March  
35 31, 2028 is (choose one): (a) unlikely (a less than 15% possibility),  
36 (b) possible (15% to 50% possibility), (c) probable (51% to 85%  
37 probability) or (d) highly probable (greater than 85% probability).

38 **IC–NLH-002**

**Refurbishment of Day Tank.** Please confirm that the Derrick French, P. Eng., who is the author or signatory of the 2018 Team Industrial Services Inc. report (Schedule 1, Attachment 2) is the same Derrick French, P. Eng., who is the author or signatory of the 2022 CFM report (Schedule 1, Attachment 3).

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- 1 **IC-NLH-003** **Refurbishment of Day Tank.** With reference to the 2022 CFM  
2 report (Schedule 1, Attachment 3), please provide a copy of the  
3 referenced completed required calculations from the Fifth Edition  
4 of the API 653 Section 6.4.2.2.1.
- 5 **IC-NLH-004** **Refurbishment of Day Tank.** With reference to the 2022 CFM  
6 report (Schedule 1, Attachment 3), did CFM, by the completed  
7 required calculations from the Fifth Edition of the API 653 Section  
8 6.4.2.2.1, or by other means, arrive at or ascribe any quantitative  
9 risk of failure, within any specified time frame, to the Day Tank?
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- 11 **IC-NLH-005** **Refurbishment of Day Tank.** With reference to the 2022 CFM  
12 report (Schedule 1, Attachment 3), was CFM informed, and  
13 requested to take into account, the extension of the Holyrood TGS  
14 to only March 31, 2024, ie just seven months after the next  
15 recommended inspection date of August 2023?
- 16 **IC-NLH-006** **Refurbishment of Day Tank.** With reference to the 2022 CFM  
17 report (Schedule 1, Attachment 3), would CFM be able to provide  
18 its opinion on the quantitative risk of failure of the Day Tank, if the  
19 recommended inspection date was delayed to August 2024 (on  
20 the assumption that the Holyrood TGS is extended beyond March  
21 31, 2024)?
- 22 **IC-NLH-007** **Refurbishment of Day Tank.** With reference to the 2022 CFM  
23 report (Schedule 1, Attachment 3), CFM states that in accordance  
24 with the API 653 calculations, a minimum of 10% of the existing  
25 floor area is required to be replaced. Is Hydro proposing a  
26 complete floor replacement? Did Hydro consider, and cost, a 10%  
27 replacement?
- 28 **IC-NLH-008** **Refurbishment of Day Tank.** With reference to Schedule 1, page  
29 4, section 4.2.2., lines 3-7, please provide copies of all  
30 communications to and from the provincial regulator with respect  
31 to the possibility of a further extension beyond August 2023 for the  
32 inspection of the Day Tank.
- 33 **IC-NLH-009** **Refurbishment of Day Tank.** What measures does Hydro have in  
34 place to mitigate and contain a leak from the Day Tank?
- 35 **IC-NLH-010** **Refurbishment of Tank 2.** With reference to Schedule 2, page 5,  
36 lines 5-6 and line 9, please provide copies of the 2018 and 2020  
37 remaining life assessment reports from the tank inspection  
38 contractor.
- 39 **IC-NLH-011** **Refurbishment of Tank 2.** Why was a 2022 update of the  
40 remaining life assessment not obtained from a tank inspection  
41 contractor, as was done in the case of the Day Tank?
- 42 **IC-NLH-012** **Refurbishment of Tank 2.** Would a tank inspection contractor, or  
43 other qualified consultant, be able to provide its opinion on the



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quantitative risk of failure of Tank 2, if the recommended inspection date was delayed to June 2024 (on the assumption that the Holyrood TGS is extended beyond March 31, 2024)?

**IC-NLH-013**

**Refurbishment of Tank 2.** Please provide copies of any and all outside contractors or consultants reports, and internal Hydro engineering reports, with respect the scope of work summarized at Schedule 2, page 2, section 4.1, including any such reports which consider a lesser scope of work or delay in respect of any of the scope of work.

**IC-NLH-014**

**Refurbishment of Tank 2.** With reference to Schedule 2, page 5, lines 11-13, please provide copies of all communications to and from the provincial regulator with respect to the "final extension" to June 2023 for the inspection of Tank 2.

**IC-NLH-015**

**Refurbishment of Tank 2.** Please provide copies of all communications to and from the provincial regulator with respect to the possibility of a further extension beyond June 2023 for the inspection of Tank 2.

**IC-NLH-016**


**Refurbishment of Day Tank.** What measures does Hydro have in place to mitigate and contain a leak from Tank 2?

**DATED** at St. John's, in the Province of Newfoundland and Labrador, this 17<sup>th</sup> day of June, 2022.

**POOLE ALTHOUSE**

Per:   
Dean A. Porter

**COX & PALMER**

Per:   
Denis J. Fleming

**STEWART MCKELVEY**

Per:   
Paul L. Coxworthy

1 ecc.

Newfoundland and Labrador Hydro

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Newfoundland Power Inc.

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