

1 Q. What would the cost of additional Holyrood generation to customers be if Holyrood
2 was able to run at peak capacity and diesel generation was not required for base
3 load?

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6 A. The unit issues at the Holyrood generating station have impacted on Hydro's ability
7 to support its declining reservoirs and have also resulted in less peaking capacity for
8 the Island Interconnected System.¹ This requires that standby units be operated
9 more frequently and more often in order to supplement Holyrood production from
10 an energy perspective and to be on-line in advance of single worst case
11 contingencies.

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13 Hydro estimates that, approximately, an additional 180 GWh would have been
14 produced from Holyrood in 2016² if the plant had been able to run at peak capacity.
15 Using the price per GWh of \$106,100 indicated in Hydro's response to PUB-NLH-
16 005, this represents approximately \$19 Million in additional costs at Holyrood.

¹ Please see Hydro's response to PUB-NLH-003

² Using the '1961 Inflows Scenario' outlined in Hydro's application.