

1 Q. **Re Complete Condition Assessment Phase 2**

2 At page 4 of the report at Tab 5 it states, "The program is structured in phases to  
3 ensure that the work recommended is tailored to the expectations placed on  
4 Holyrood by the needs of the Island Interconnected System and the development  
5 plan for the Lower Churchill Project." Since embarking upon the condition  
6 assessment and life extension program in 2009, has the program been further  
7 tailored to the expectations and development plan referred to above? If so, how?  
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10 A. Yes, the program has been further tailored to the expectations placed on Holyrood  
11 by the needs of the Island Interconnected System and the development plan for the  
12 Lower Churchill Project. The existing Phase 1 condition assessment and life  
13 extension program assumes that Holyrood will be converted to a synchronous  
14 condensing facility prior to 2016 and will operate as such beginning in 2016 and into  
15 the future, as stated on page 5 of the report at Tab 5. Phase 2 of the condition  
16 assessment and life extension program will provide a more detailed investigation of  
17 the generators and associated balance of plant equipment required for the long  
18 term operation of Holyrood as a synchronous condensing facility. The program will  
19 include a Level II study in accordance with the guidelines of the Electrical Power  
20 Research Institute (EPRI) and will focus on the above referenced plant that was  
21 identified during the Phase 1 study. In addition, Phase 2 of the condition  
22 assessment and life extension program will also include plant equipment and  
23 systems required for reliable generation up to 2016 as identified during Phase 1 of  
24 the program as requiring an EPRI Level II study.