

1 Q. **Reference: Capital Expenditures and Carryover Report for the Year Ended December 31, 2022,**  
2 **page 22**

3 It is stated

4 The transport of the Churchill Falls transformer to Holyrood and the remaining  
5 construction activity at Holyrood has carried over into 2023.

6 Why was T7 not needed in 2021 and 2022, and given that it was not needed, why was it  
7 included in the CBA? Is T7 needed going forward?

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10 A. Holyrood Transformer T7 (“Holyrood T7”) is a 25/33.3/41.7 MVA power transformer located in  
11 the Western Avalon to Holyrood loop, which supplies power to the majority of the northwest  
12 Avalon Peninsula. The absence of Holyrood T7 weakens Newfoundland and Labrador Hydro’s  
13 (“Hydro”) ability to supply the load on the Western Avalon to Holyrood 138 kV loop. Hydro can  
14 meet peak load conditions with all remaining equipment in service; however, specific line or  
15 transformers contingencies within the loop could lead to customer load shedding to avoid  
16 transformer overloads of abnormal voltage levels. This is a violation of the Transmission  
17 Planning Criteria.

18 During the 2021 and 2022 winters, an interim plan was in place for such contingency events,  
19 which involved dispatching Newfoundland Power Inc.’s (“Newfoundland Power”) mobile  
20 generation within the Western Avalon to Holyrood loop. The use of mobile generation must not  
21 be considered a permanent solution in the absence of Holyrood T7, as this generation must be  
22 available for other unforeseen events on the Hydro or Newfoundland Power systems. As load  
23 growth continues to increase on the Avalon Peninsula, the amount of available mobile  
24 generation may not be sufficient to help mitigate this risk.

25 Holyrood T7 must be replaced to eliminate the risk of customer impact following a single  
26 contingency within the Western Avalon to Holyrood loop during peak load conditions.