Reference: Tab 2.2: Substation Spare Transformer Inventory

Q. Footnote 25 on page 12 notes that SPO-T4 and SPO-T5 provide N-1 redundancy criteria. Please describe how N-1 criteria is applied by Newfoundland Power in relation to its power transformers.

A. Newfoundland Power's historic substation design practices have not normally applied N-1 criteria to its power transformers. Newfoundland Power uses portable substations and an inventory of spare power transformers to respond to in-service failures.¹

Newfoundland Power's Salt Pond Substation ("SPO") supplies power to six substations along the 66 kV looped transmission system on the Burin Peninsula. Power transformers SPO-T4 and SPO-T5 are 138/66 kV power transformers that are supplied by Newfoundland and Labrador Hydro's 138 kV transmission system. As outlined in Newfoundland Power's 2002 Supplementary Capital Budget Application, N-1 criteria was applied to the SPO-T4 and SPO-T5 power transformers as the least cost alternative to address reliability of supply issues for customers served by the 66 kV transmission system on the Burin Peninsula.²

Page 1 of 1

For further details, refer to report 2.2 Substation Spare Transformer Inventory.

See the *2002 Supplementary Capital Budget Application, Schedule A* for an assessment of alternatives to address the reliability of Newfoundland Power's 66 kV transmission system on the Burin Peninsula.