1 Q. Does Hydro anticipate any further supplemental capital applications in 2017 for the 2 Holyrood Thermal Generating Station? If yes, please provide details. 3 4 5 A. Hydro anticipates that it may be necessary to submit one additional supplemental 6 capital application for the Holyrood Thermal Generating Station (Holyrood) in 2017. 7 The scope of this application will address reliability improvements at Holyrood. 8 9 The Reliability Improvements – Holyrood Thermal Generating Station project will 10 include activities that are similar in nature to those that were included with the 11 2016 project entitled *Units 1 and 2 Boilers Lower Reheater Tube Replacement and* 12 Reliability Improvements. Similar to the 2016 project, the activities in this project 13 were identified through annual maintenance outages and other inspections that 14 occur after the annual capital budget submission and therefore were too late for 15 inclusion into the 2017 Capital Budget Application. These activities are required for 16 reliable operation during the 2017-2018 winter season. 17 18 Work is planned for three main areas of focus and is condition based; valve and 19 piping replacements, boiler reliability improvements, and turbine reliability 20 improvements. The valves and piping sections to be replaced cannot be reasonably 21 expected to survive another operating season, beyond the current, without 22 impacting unit availability. The boiler reliability improvements will address air flow 23 issues that have contributed to the derating of Unit 1 and Unit 2 during the current 24 operating season. This includes air heater upgrades to reduce air leakage, and 25 replacement of leaking expansion joints on the combustion air ductwork. Turbine 26 reliability improvements include installation of new electrical control panels for the

Unit 1 and Unit 2 DC lube oil pumps, and replacement of the Unit 1 and Unit 2

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1	steam inlet flanges that have caused several forced outages in the past couple of
2	years. The details and justification for these projects will be included in the
3	application for review by the Board.
4	
5	The budget for this work will be approximately \$2.6M. It is expected that this will be
6	submitted to the Board in April. All work under this project will be completed during
7	the 2017 planned unit maintenance outages.