- 1 Q. a) What are Hydro's plans with Unit 2065 that is being replaced?
- 2 **b)** Will there be savings from utilizing this asset elsewhere and how will these savings be used?

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- 5 A. a) Unit 2065 is a 320 kW, 1,800 rpm diesel genset that was installed in 2002. Due to the age of the unit, it does not meet current emissions standards¹ for a new installation in Canada, and therefore cannot be installed in other diesel-generating plants. Newfoundland and Labrador Hydro ("Hydro") will utilize the unit for spare parts for its two remaining CAT 3406 units which are still in service.
- b) As noted in part a) of this response, Unit 2065 can only be utilized as spare parts due to current environmental regulations. Should the need for spare parts on Hydro's two remaining CAT 3406 units materialize, this may result in some savings, estimated to be \$25,000 or less.

¹ SOR/2020-258, (Canadian Environmental Protection Act, 1999).