Q. Reference: Energy Supply Risk Assessment, May 2016, Page 18, Lines 18-22.

"For the purposes of this investigation, it was assumed that the Holyrood thermal units are de-rated in accordance with Table 4. These de-ratings were based on analysis and recommendations from Hydro's Asset Management team."

Table 4 – Assumed De-Rated Capacity for Holyrood Units

Unit	Nameplate Rating (MW)	De-Rated Capacity (MW)
Holyrood Unit 1	175	150 (160 Emergency)
Holyrood Unit 2	175	150 (160 Emergency)
Holyrood Unit 3	150	140 (150 Emergency)

Please explain whether or not Hydro has finalized the de-rated capacity of Holyrood Units 1, 2 and 3 on a go forward basis until the integration of the Muskrat Falls project?

A. Hydro has not yet finalized the de-rated capacity of Holyrood Units 1, 2, and 3 on a go forward basis until the integration of the Muskrat Falls project. Work is underway including additional tube thickness measurements and calculations by the original equipment manufacturer of the Unit 3 boiler. A consultant, AMEC, has been engaged to provide their recommendation for an appropriate rating on a go forward basis for Units 1, 2 and 3. It is expected that this report will be available by the end of July 2016.

As discussed in the response to IC-NLH-041, Hydro expects that the de-rated capacity, once finalized, will not change until integration of the Muskrat Falls project. However, boiler tube inspections will continue on an annual basis. If

- 1 corrosion trends are revealed that impact the reliability of the boiler tubes then
- 2 alteration of the de-ratings could occur.