1 Q. Reference: Gas Turbine Failure Analysis - Final Report, January 11, 2017, 2 Performance Improvements (PI) Limited Report, page 6 of 21. Please explain why the oil was not replaced in the Stephenville gas turbine following the lube oil 3 4 analysis trend report which stated that the oil's oxidized condition was at "Upper 5 Critical" level and required replacement (ref sample No 130090 dated March 16, 2015). 6 7 8 9 A. Hydro did not replace the oil at the Stephenville Gas Turbine post sample number 10 130090 due to discussions with the laboratory late in 2014. At the time, the laboratory stated that the "Upper Critical" (UC) limits being flagged were for 11 12 reciprocating engines and not applicable to gas turbines. They stated that the UC 13 limit for oxidation for gas turbines should be 100. Thus, the reading of 66 was not 14 of concern and the oil was not replaced. Hydro continues to work with the 15 laboratory to ensure that the appropriate test methodologies and limits are being 16 applied to the gas turbine lube oil samples. 17 18 In 2014, the management of the gas turbine fleet was transitioning into its 19 dedicated centre of management, and the team was building. Therefore, this 20 information related to why the oil was not changed was not readily available when 21 the report was submitted on January 11, 2017, and was discovered as part of the 22 current analysis. Hydro reiterates that the gas turbine team continues to work with 23 the laboratory to ensure that appropriate test methodologies and limits are being

applied to the gas turbine lube oil samples.

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