Q. Reference Application Rev. 1, Volume 2, Overhaul Diesel Units

- a. With the significant increase in the cost of parts for diesel units (page 4), is Hydro reevaluating alternatives for supply to its isolated systems including connection to the grid, the addition of renewable generation and increased energy efficiency and demand management options?
- **b.** What is the probability that this project will become stranded before the useful life of diesel units is reached?

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- **a.** Please refer to Newfoundland and Labrador Hydro's ("Hydro") responses to CA-NLH-069 and CA-NLH-070 of this proceeding.
- b. It is unlikely that the genset overhauls scheduled for 2021 will become stranded before the useful life of the overhaul is reached. The useful life of an overhaul is 20,000 hours for 1,800 rpm gensets, and 30,000 hours for a 1,200 rpm genset. For an overhaul to be considered stranded, the genset would have to be replaced before its next scheduled overhaul which typically only occurs if that genset is being replaced with a larger unit to increase the firm capacity of the system. Table 1 shows the next scheduled overhaul beyond 2021

Table 1: Overhaul Schedule for Diesel Units

Year of Next Overhaul
2025 (replacement)
2026
2030
2027
2025
2032 (replacement)

Based on Hydro's Long-Term Labrador Isolated Load Forecast – Spring 2019, no system containing the units listed in Table 1 are expected to require additional firm capacity before the next scheduled overhaul of these units.