

1 Q. **Tab 16; Volume II: Additions for Load – Wabush Substation Upgrades**

2 What steps would have to be taken by Hydro in order to have the Wabush substation
3 reclassified as distribution? Has Hydro considered taking these steps? If so, why wasn't that
4 option pursued? If not, why not given the amount of capital expenditures required to facilitate
5 the change to a transmission classification.

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8 A. As per Newfoundland and Labrador Hydro's ("Hydro") response to PUB-NLH-035 of this
9 proceeding, 46 kV transmission networks are held to the same standard as 66/69kV
10 transmission networks as both networks serve the same function in terms of the regional
11 delivery of electricity. From an operational standpoint, the 46 kV network has historically been
12 operated as a transmission system under the controlling authority of the Energy Control Centre.
13 From a planning perspective, Wabush Substation power transformers should be classified in the
14 same manner as all other terminal station power transformers that are owned by Hydro. This is
15 essential to ensure an acceptable operational margin for station capacity.

16 It should be noted that all other specified system upgrades including the installation of
17 Supervisory Control and Data Acquisition equipment, the replacement of the control building,
18 and distribution system upgrades are not attributable to the classification of the station. Rather,
19 these upgrades are required to address station deficiencies that impact station operation and
20 reliable customer supply.

21 On the basis of the above, the reclassification of the system as a distribution is not appropriate
22 from either an operational or planning perspective.