

1 Q. With reference to IC-NLH-002, please confirm that Wood Canada’s opinion that “Overall, Wood
2 Canada believes the HRD is in fair to good condition and capable of reliable and safe operation
3 to end baseload production (year 2021, 2022 or 2023)” is based on the completion of the four
4 capital expenditure projects which are the subject of this Application, and not on the completion
5 of any other presently known or anticipated capital expenditures in relation to the HRD (other
6 than, it is acknowledged, further capital expenditures which may be identified as necessary by
7 the Boiler Condition Assessment).

8 A. As expressed in its April 3, 2020 correspondence to Newfoundland and Labrador Hydro
9 (“Hydro”), ¹ Wood Canada Limited’s (“Wood”) opinion is based on “maintaining appropriate
10 inspection, overhaul, maintenance, and capital investment activities.” The four capital
11 expenditure projects, which are the subject of this Application, are identified for completion in
12 2020 and supported by Wood in its letter. These four projects are regularly occurring activities,
13 typical of past practice, and all due for execution.

14 In 2021, there are three additional projects that are similarly required, which have been
15 reviewed and are supported by Wood. These include the overhaul of the Unit 1 turbine, the
16 overhaul of the Unit 3 East boiler feed pump, and the continuation of the boiler condition
17 assessment program. Hydro intends to include these projects as part of its 2021 Capital Budget
18 Application. An additional project to overhaul the Unit 3 turbine valves has been identified for
19 completion in 2022. Similar to completing the Unit 2 turbine valve overhaul in 2020, this would
20 continue the regular overhaul schedule for these valves to maintain safe reliable operation.
21 Hydro will monitor the operating hours for the Unit 3 turbine as 2022 approaches. If Unit 3
22 steam operation is extended into 2023, and operating hours justify, Hydro will submit this
23 project as part of its 2022 Capital Budget Application. Other than the projects mentioned above,
24 Wood has not based its opinion on any other known or anticipated capital expenditures.

¹ “Application for Approval of Capital Projects Necessary for the Continued Operation of the Holyrood Thermal Generation Station,” Newfoundland and Labrador Hydro, sch. 1, att. 1.