

1 Q. Reference: Volume I, 2020-2024 Capital Plan, page 4, lines 14 to 18.

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3 Hydro filed reports on Bay d’Espoir Penstocks 1 to 3 on December 12, 2018,
4 March 29, 2019, and July 31, 2019. The July 31, 2019 report recommends
5 several alternatives for managing the future reliability of the Bay d’Espoir
6 penstocks. Based on this recommendation, Hydro is developing updated plans
7 for this refurbishment work, which will be proposed in Hydro’s 2021 CBA.
8

9 Will implementing any of the recommended alternatives for managing the future reliability of
10 the Bay d’Espoir penstocks have a material impact on the 2020-2024 Capital Plan? If yes, please
11 provide the anticipated cost by year for implementing any of the recommended alternatives.
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14 A. Newfoundland and Labrador Hydro (“Hydro”) has reviewed alternatives for managing the future
15 reliability of Penstocks 1 to 3 in Bay d’Espoir and included associated cost estimates for the
16 minimal expected expenditures associated with the various alternatives in years 2021–2024 of
17 the 2020 Capital Budget Application; these amounts are noted in Table 1. Hydro will continue to
18 monitor the penstocks¹ and evaluate appropriate action.

Table 1: Planned Annual Penstock Refurbishment

Year	Impact
2020	None
2021	\$1,500,000
2022	\$7,500,000
2023	\$7,500,000
2024	\$7,500,000

¹ On September 22, 2019, a failure, similar to previous failures, occurred on Bay d’Espoir Penstock 1. An analysis of the failure is underway, the results of which may have a material impact on the 2020–2024 Capital Plan. Results of the analysis are not yet available.