

1 Q. **Reference: Volume I: 2019 Capital Expenditures Overview**

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3 The costs identified in Table 1: Condition Assessment and Miscellaneous Upgrades – Holyrood
4 Thermal Generating Station (page 26); Table 2: Terminal Station In-Service Failures (page 27);
5 Table 3: Thermal Generation In-Service Failures (page 30); and Table 4: Hydraulic Generation In-
6 Service Failures (page 35) do not align with the costs identified for those projects in the
7 appropriate 2019 Capital Expenditures by Category table. Please explain and reconcile the
8 differing costs.

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11 A. Tables 1 to 4 (pages 26–36) of the 2019 Capital Expenditures Overview¹ provide the following
12 information:

13 **1)** Table 1 provides detailed explanations of the items which cumulatively sum to the 2019
14 Project Variance (third column from the right) on page 4 of the 2019 Capital
15 Expenditures by Category table for the Holyrood Thermal Generating Station Condition
16 Assessment and Miscellaneous Upgrades project; and

17 **2)** Tables 2 to 4 outline the In-Service Failure projects that have been identified year-to-
18 date² for Terminal Stations, Thermal Generation, and Hydraulic Generation, but may not
19 yet be incorporated in the 2019 Capital Expenditures by Category tables (pages 3–16).

20 **Holyrood Thermal Generating Station Condition Assessment and Miscellaneous Upgrades**
21 **Project**

22 The Capital Expenditures by Category table on page 4 presents the actual expenditures to date³
23 and the forecast final project cost⁴ as compared to the 2019 Capital Budget. The forecast Project
24 Variance (difference between the 2019 Actual Expenditures and Forecast and the 2019 Capital
25 Budget) is \$1,239,000 (third column from the right). A summary explanation of this variance is

¹ “2020 Capital Budget Application,” Newfoundland and Labrador Hydro, August 1, 2019, vol. I.

² As of June 30, 2019.

³ Ibid.

⁴ Using Project Change Notices (“PCNs”)

1 included on page 20, lines 1 to 8. Table 1 (pages 26–27) provides details of the project
2 components which sum to the Project Variance, as noted in the total line of Table 1.

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4 **In-Service Failures Projects for Terminal Stations, Thermal Generation and Hydraulic**
5 **Generation**

6 The In-Service Failures costs for the categories identified reflect actual year-to-date costs and
7 forecast in the 2019 Capital Expenditures by Category tables (pages 3–16). Tables 2 to 4 (pages
8 27–36) provide a listing, as of June 30, 2019, of proposed projects that are being investigated for
9 inclusion within each In-Service Failure project, but are not yet finalized. The Capital
10 Expenditures by Category tables have the same cut-off date of June 30, 2019. Therefore, the
11 costs outlined in Tables 2 to 4 do not match the costs in the Capital Expenditures by Category
12 tables. Tables 2 to 4 include the most up-to-date information on planned project execution.