

1 Q. **Reference: Volume I, 2023 Capital Budget Overview, page 2, footnote 2.**

2 Were the 2023 capital expenditures applied for under supplemental applications outlined in
3 footnote 2 included in Hydro’s 2022 five-year capital plan?

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6 A. Of the 2023 capital expenditures applied for under supplemental applications outlined in
7 footnote 2,¹ only the capital expenditure related to phase 1 of the Bay d’Espoir Penstocks Life
8 Extension was identified in Newfoundland and Labrador Hydro’s (“Hydro”) Five-Year Capital Plan
9 (2022–2026).² Hydro’s Application for Approval for Rotor Rim Shrinking and Stator Recentering
10 at the Upper Salmon Hydroelectric Generating Station³ and its Application for Approval to
11 Purchase Last Stage Blades for Holyrood Thermal Generating Station Units 1 and 2⁴ were
12 proposed and approved to address issues that were identified following the submission of
13 Hydro’s 2022 Capital Budget Application (“CBA”). Hydro’s Application for Approval of Various
14 Supplemental Capital Projects at the Holyrood Thermal Generating Station (“Holyrood TGS”)⁵
15 was triggered by the extension of the Holyrood TGS as a generating facility until March 31, 2024,
16 which was communicated to the Board of Commissioners of Public Utilities in February 2022.⁶
17 The requirement for extension of the Holyrood TGS was not known at the time of development
18 of the Five-Year Capital Plan (2022–2026), filed in Hydro’s 2022 CBA.

¹ “2023 Capital Budget Application,” Newfoundland and Labrador Hydro, July 13, 2022, vol. I, sch. 1, p. 2, fn. 2.

² “2022 Capital Budget Application,” Newfoundland and Labrador Hydro, rev. September 17, 2021 (originally filed August 2, 2021), vol. I, sch. 2.

³ “Application for Approval for Rotor Rim Shrinking and Stator Recentering at the Upper Salmon Hydroelectric Generating Station,” Newfoundland and Labrador Hydro, April 26, 2022, was approved as per *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 18(2022), May 20, 2022.

⁴ “Application for Approval to Purchase Last Stage Blades for Holyrood Thermal Generating Station Units 1 and 2,” Newfoundland and Labrador Hydro, April 26, 2022; was approved as per *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 17(2022), May 20, 2022.

⁵ “Application for Approval of Various Supplemental Capital Projects at the Holyrood Thermal Generation Station,” Newfoundland and Labrador Hydro, June 6, 2022 was approved as per *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 24(2022), August 18, 2022.

⁶ In the “Reliability and Resource Adequacy Study Review – Additional Considerations of the Labrador-Island Link Reliability Assessment and Outcomes of the Failure Investigation Findings – Additional Information,” Newfoundland and Labrador Hydro, February 4, 2022, p. 7, Hydro advised the Board of Commissioners of Public Utilities of its decision to extend operation of the Holyrood TGS as a generating facility to March 31, 2024.