Q. Reference: Application, Schedule 6, Refurbish Surge Tank 1 (2024 - 2025) Bay d'Espoir

There are several projects identified in the 2024 CBA that relate to the Bay d'Espoir Hydroelectric Generating Facility. Is there an overall asset management plan for the refurbishment of this facility? If not, why not? If so, please file a copy for the record.

A. Newfoundland and Labrador Hydro ("Hydro") does not have a formal written asset management plan for specific hydroelectric sites; however, Hydro does utilize asset management best practices to develop strategic approaches to critical life cycle management. The asset management approach for the Bay d'Espoir Hydroelectric Generating Facility hinges on the development of short- and long-term plans, which are matured and maintained by Hydro's Hydraulic Production Long-Term Asset Planning ("LTAP") group. The LTAP group is comprised of a multi-disciplinary team of professional engineers with various backgrounds in hydraulic generation.

Within the last decade, the Hydro LTAP group has overhauled its 5- and 20-year (i.e., short- and long-term) asset plans, using criticality rankings to prioritize assets. This prioritization is then used to strategically map projects (CAPEX¹ and OPEX²) for life extension activities. In addition, Hydro has further matured its short- and long-term asset plans using online asset health monitoring, industry standards, and historical knowledge. Continuous maturity of its asset plans are expected as assets age. In general, Hydro also carries out internal inspections of its assets through established preventative maintenance programs and through this process identifies requirements for rehabilitation, overhauls, and assessment activity.

¹ Capital Expenditures ("CAPEX") are Hydro's major long-term expenses.

² Operating Expenditures ("OPEX") are Hydro's day-to-day expenses.