

1 Q. Hydro states that the field inspections completed during the 2023 annual outage concluded that
2 the runners were at the end of their life cycle and should be replaced.

- 3 i. Did Hydro, the OEM or both parties jointly make this conclusion about replacement?
4 ii. Was replacement not actioned following the 2023 annual outage because a third-
5 party was not on-site for the inspections? Were there other reasons that
6 replacement was not actioned at that time?
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9 A. i. During the 2023 annual outage, the original equipment manufacturers
10 recommendation was that the runners were at end of life. A third party was
11 engaged in 2024 to provide a recommended course of action and project estimate.
12 The decision to replace was made by Newfoundland and Labrador Hydro (“Hydro”)
13 in consideration of the recommendations and analysis performed by the third party
14 following the 2024 inspection.

15 ii. Replacement of the runner was not actioned following the annual outage in 2023
16 as, given the magnitude of expenditure, Hydro believed it prudent to obtain a third-
17 party on-site inspection prior to execution. This inspection during the 2024 outage
18 would allow an opportunity to review and develop an appropriate and justifiable
19 capital plan.