

January 21, 2025

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Board of Commissioners of Public Utilities Prince Charles Building 120 Torbay Road, P.O. Box 21040 St. John's, NL A1A 5B2

Attention: Jo-Anne Galarneau

Executive Director and Board Secretary

Re: Request for Change or Modification to Board Order No. P.U. 28(2023) – Approval of Capital Expenditures for the Purchase of a Spare Generator Step-Up Transformer – Hydro's Reply

On September 21, 2023, Newfoundland and Labrador Hydro ("Hydro") filed an application with the Board of Commissioners of Public Utilities ("Board") for approval of a supplemental capital expenditure for the purchase of a spare generator step-up ("GSU") transformer. This project was approved in Board Order No. P.U. 28(2023).

On January 10, 2025, Hydro filed correspondence with the Board advising that due to increased commodity pricing, current original equipment manufacturer shop loading, and the specific arrangement required for the spare GSU transformer to be able to be utilized in various locations, the revised budget to proceed with the spare GSU transformer purchase is \$12,324,025. The schedule was also updated, and the overall timeline increased from approximately four years to approximately six years. Hydro requested approval to proceed with the project, at the higher estimated cost.

The Board set a review schedule with party comments due on January 20, 2025. Hydro notes that no comments were forthcoming from any of the parties. Hydro respectfully requests that the Board approve Hydro's request, as submitted.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Shirley A. Walsh

Senior Legal Counsel, Regulatory

SAW/kd

ecc:

Jo-Anne Galarneau Board of Commissioners of Public Utilities

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