

January 15, 2021

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

Attention: Ms. Cheryl Blundon
Director of Corporate Services & Board Secretary

Dear Ms. Blundon:

Re: Allowance for Unforeseen Capital Expenditures Monthly Reporting

Further to the Board of Commissioners of Public Utilities' letters of May 24, 2013 and January 29, 2015, enclosed please find Newfoundland and Labrador Hydro's expenditures report setting out all capital expenditures made in relation to the Allowance for Unforeseen Items to the end of December 2020.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO



Shirley Walsh
Senior Legal Counsel, Regulatory
SAW/sk

Encl.

ecc: **Board of Commissioners of Public Utilities**
Ms. Jacqui Glynn
PUB Official Email

Newfoundland and Labrador Hydro
Allowance for Unforeseen Expenditures¹
For the Period January 1, 2020 to December 31, 2020

	Charlottetown Diesel Plant Fire ² (\$)	Charlottetown Generator Replacement ³ (\$)	Port Hope Simpson Engine Replacement ⁴ (\$)	Supplementary Amount for Allowance for Unforeseen ⁵ (\$)	Total (\$)	Balance (\$)	Comments
Approved Allowance						1,000,000	See Board Order No. P.U. 6(2020)
Expenditures							
January	(116,278)	-	-	-	(116,278)	883,722	
February	(39,468)	-	-	-	(39,468)	844,254	
March	(64,803)	-	-	-	(64,803)	779,451	
April	14,884	-	-	-	14,884	794,335	
May	(35,223)	-	-	-	(35,223)	759,112	
June ⁶	101,021	-	-	-	101,021	860,133	
July	(2,366)	-	-	-	(2,366)	857,767	
August	(100)	(32,065)	-	-	(32,165)	825,603	
September	(520)	(41,502)	-	-	(42,023)	783,580	
October	(978)	(846)	-	-	(1,824)	781,756	
November	-	(159)	-	216,420	216,261	998,017	See Board Order No. P.U. 32(2020)
December	-	-	-	-	-	998,017	
Total	(143,831)	(74,572)	-	216,420	(1,983)	998,017	

¹ The balances in the Allowance for Unforeseen have not been audited. Final balances associated with capital projects, including those that were charged to the Allowance for Unforeseen Items Account, are provided in Newfoundland and Labrador Hydro's ("Hydro") annual Capital Expenditures and Carryover Report.

² On November 13, 2019, Hydro notified the Board of Commissioners of Public Utilities ("Board") of capital requirements at Charlottetown in response to a fire in the diesel plant on October 3, 2019. The work was completed on February 7, 2020 and the final report was filed with the Board on March 9, 2020. The costs in the Allowance for Unforeseen report reflect actuals. 2019 actuals were \$738,407, for a total project spend of \$882,238.

³ On July 28, 2020, Hydro notified the Board of capital requirements at Charlottetown in response to failure of the generator portion of genset Unit 2102. Hydro sourced a replacement generator and had it installed on August 8, 2020. The final report was filed with the Board on September 8, 2020 which estimated a total project spend of \$73,500. The costs in the Allowance for Unforeseen report reflect actuals.

⁴ On September 14, 2020, Hydro notified the Board of capital requirements at Port Hope Simpson in response to failure of the engine portion of genset Unit 2099. A replacement engine is on route with expected delivery in late January 2021. No costs have been incurred to date.

⁵ In Board Order No. P.U. 32(2020), released on November 16, 2020, the Board approved the addition of a supplementary amount of \$216,420 to the 2020 Allowance for Unforeseen Items Account.

⁶ Reversal in June 2020 reflects amount inadvertently charged to Allowance for Unforeseen.