



Newfoundland and Labrador Hydro
Hydro Place, 500 Columbus Drive
P.O. Box 12400, St. John's, NL
Canada A1B 4K7
t. 709.737.1400 | f. 709.737.1800
nlhydro.com

February 14, 2022

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 January 2022.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

A handwritten signature in blue ink, appearing to read "S. Walsh", written over a horizontal line.

Shirley A. Walsh
Senior Legal Counsel, Regulatory
SAW/kd

Encl.

ecc:

Board of Commissioners of Public Utilities
Jacqui H. Glynn
PUB Official Email

Newfoundland and Labrador Hydro
Allowance for Unforeseen Expenditures
For the Period January 1, 2022 to December 31, 2022

	Total (\$)	Balance (\$)	Comments
Approved Allowance		1,000,000	See Board Order No. P.U. 37(2021)
Expenditures			
January	-	1,000,000	
February	-	1,000,000	
March	-	1,000,000	
April	-	1,000,000	
May	-	1,000,000	
June	-	1,000,000	
July	-	1,000,000	
August	-	1,000,000	
September	-	1,000,000	
October	-	1,000,000	
November	-	1,000,000	
December	-	1,000,000	
Total	-	1,000,000	

Newfoundland and Labrador Hydro
Allowance for Unforeseen Expenditures - Board Order No. P.U. 34(2021)
For the Period January 1, 2022 to December 31, 2022

	Holyrood T2 Replacement¹	Total²	Balance	Comments
	(\$)	(\$)	(\$)	
Approved Allowance			N/A ²	
Expenditures				
January	(220,768)	(220,768)	(220,768)	
February	-	-	(220,768)	
March	-	-	(220,768)	
April	-	-	(220,768)	
May	-	-	(220,768)	
June	-	-	(220,768)	
July	-	-	(220,768)	
August	-	-	(220,768)	
September	-	-	(220,768)	
October	-	-	(220,768)	
November	-	-	(220,768)	
December	-	-	(220,768)	
Total	(220,768)	(220,768)	(220,768)	

¹ On November 19, 2021, Newfoundland and Labrador Hydro ("Hydro") notified the Board of Commissioners of Public Utilities ("Board") that it would be utilizing the Allowance for Unforeseen Items Account to complete capital work at Holyrood Thermal Generating Station ("Holyrood TGS") in response to failure of Unit 2 transformer ("T2"). On November 24, 2021, Hydro filed additional correspondence advising the Board of early cost estimates and schedule in relation to the work. The final report was filed with the Board on February 8, 2022, which estimated a total project spend of \$1.9 million which is comprised of \$1.7 million in 2021 and \$0.2 million in 2022.

² On November 24, 2021, Hydro made application to the Board for approval to continue recording in the Allowance for Unforeseen Items Account the variance associated with the expenditures related to the failure of Unit 3 boiler tubes at the Holyrood TGS and the replacement of T2 at the Holyrood TGS, with an application to follow in early 2022 for the inclusion of this variance in rate base. In Board Order No. P.U. 34(2021), the Board advised that it would address the appropriateness of the use of the Allowance for Unforeseen Items Account for these expenditures following the final reports related to each event, and the inclusion in rate base should be addressed in the 2021 Rate Base Application.