

1 Q. Please provide the O&M budgets for 2019 to 2023 for Newfoundland Hydro's  
2 hydroelectric and combustion turbine plants, by Region.

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5 A. Hydro's hydroelectric and combustion turbine costs are grouped in the Production  
6 division. All of Hydro's hydroelectric plants are in the Island Interconnected System.  
7 Please refer to Table 1 for the Production Division 2019 Budget including the costs  
8 related to hydroelectric, thermal and combustion turbines:<sup>1</sup>

**Table 1**

**Production Operating Costs by Region (\$000's)**

Production	2019 Budget
Gas Turbines - Island Interconnected	4,272
Gas Turbines - Labrador Interconnected	350
Gas Turbines - Management	1,125
Total Gas Turbines	<u>5,747</u>
Hydro Production - Island Interconnected	12,552
Thermal Generation - Island Interconnected	25,107
<b>Total Production</b>	<b><u>43,406</u></b>

9 Hydro records direct combustion turbine costs in their own business units within  
10 the gas turbine department. However, the management and administration costs  
11 relating to all of the gas turbines are captured in a separate business unit. Please  
12 refer to Table 2 for the 2019 combustion turbine budget by plant and the  
13 management and administration costs:

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<sup>1</sup> Excludes indirect costs such as finance, human resources and engineering costs associated with diesel systems. It also excludes any fuel and power purchase costs.

Table 2  
Gas Turbine Costs by Plant (\$000's)

Gas Turbines	2019 Budget
Holyrood Gas Turbine	2,552
Hardwoods and Stephenville GT	1,720
Total Island Interconnected	4,272
Happy Valley - Labrador Interconnected	350
Management & Administration - Gas Turbines	1,125
<b>Total Gas Turbines</b>	<b>5,747</b>

- 1 Hydro records direct hydroelectric costs in their own business units within the
- 2 hydro production department. However, the management and administration costs
- 3 relating to all of the hydroelectric plants are captured in a separate business unit.
- 4 Please refer to Table 3 hydro production 2019 budget by plant:<sup>2</sup>

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<sup>2</sup> The Roddickton mini-hydro is classified in the Transmission Operations division rather than the Production division and as a result, it is not included in the table 3. The 2019 budget for Roddickton is \$9k, of which \$8k is salary and benefits and the remaining \$1k is other operating costs.

**Table 3**  
**Hydro Production Costs by Plant (\$000's)**

Hydro Production	2019 Budget
Hinds Lake	482
Upper Salmon	586
Paradise River:	
Paradise River - Salary & Benefits	154
Paradise River - Other Operating Costs	66
Snooks Arm/Venams Bight:	
Snooks Arm/Venams Bight - Salary & Benefits	16
Snooks Arm/Venams Bight - Other Operating Costs	77
Cat Arm	491
Bay D'Espoir PH # 1	4,872
Bay D'Espoir PH # 2	139
Granite Canal	561
Total by Plant - Island Interconnected	7,443
Bay d'Espoir Work Execution	1,260
Hydraulic LT Asset Planning	653
Fleet & Tools - Operations	109
Hydraulic Operations	824
Hydraulic Administration	1,702
Hydraulic F&T Execution	561
Total Management & Admin - Island Interconnected	5,109
<b>Total Hydro Production</b>	<b>12,552</b>

1     The operating costs of Exploits and Star Lake are fully recovered by the Government  
2     of Newfoundland and Labrador. In the 2019 budget, Hydro was charged a power  
3     purchase expense for the supply of the power from the hydro plants. However,  
4     please refer to Table 4 for a summary of Exploits and Star Lake's 2019 operating  
5     budget:

Table 4

Exploits & Star Lake Operating Costs by Plant (\$000's)

Hydro Production	2019 Budget
Star Lake	
Salary & Benefits	444
Other Operating Costs	721
Exploits	
Salary & Benefits	5,990
Other Operating Costs	3,487
<b>Total</b>	<b>10,642</b>

- 1 Hydro's 2020 to 2023 O&M forecast was developed on a total Regulated Hydro
- 2 basis rather than by department and plant. The total Regulated Hydro forecast was
- 3 updated for inflation and forecast adjustments. Please refer to PUB-Nalcor-130,
- 4 Attachment 1 for the supporting schedule.