

1 Q. **Reference: Volume I, 2021-2025 Capital Plan, Appendix A, page A-3, line 5.**

2 The 2021-2025 Capital Plan includes a total cost of approximately \$47 million for the multi-year
3 Penstock Refurbishment Project from 2022 to 2025. In correspondence to the Board dated June
4 3, 2020, Hydro reported that its consultant, Hatch, estimated the total cost of work for all three
5 penstocks was approximately \$104 million. Please explain the discrepancy in Hatch’s estimate
6 and Hydro’s estimate in the Five-Year Capital Plan, and whether this discrepancy will be
7 accounted for in its future application regarding penstock refurbishment.

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10 A. Newfoundland and Labrador Hydro (“Hydro”) expects to execute the refurbishment of the three
11 penstocks over a period commencing in 2022 and extending beyond 2025. As such, the cost
12 shown in the 2021–2025 Capital Plan includes only the portion of the total cost of refurbishing
13 the three penstocks which will occur during the period 2022 to 2025. Hydro is developing an
14 execution plan for the refurbishment of the three penstocks which will be submitted to the
15 Board of Commissioners of Public Utilities (“Board”). At appropriate times, Hydro will apply to
16 the Board for approval of projects to execute that plan.