

1 Q. **Application for approval of the Hardwoods Gas Turbine Engine Refurbishment**

2 Did engine serial number 202224 have insurance coverage on the date of the fire? If
3 so, please provide a copy of the insurance policy pertaining to engine serial number
4 202224 with specific reference to the policy's terms of coverage which may include,
5 but may not be limited to, claims caused by fires, electricity, lightning, smoke, and
6 explosions.

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9 A. Hydro's facilities, including generating equipment such as engine serial number
10 202224, are insured by F M Global under an all-risks policy. Please see IC-NLH-002
11 Attachment 1, a copy of the Property Insurance Summary – Hardwoods 1 July 2014
12 – 1 July 2015 prepared by Aon Risk Solutions.



prepared for

Nalcor Energy

Property Insurance Summary - Hardwoods

1 July 2014 – 1 July 2015

prepared by

Aon Risk Solutions, St. John's, NL

Property and Boiler & Machinery Insurance

Applicable to Hardwoods Generating Station

<i>Insured</i>	Nalcor Energy and/or Newfoundland and Labrador Hydro-Electric Corporation, and/or any subsidiary, and Nalcor Energy's interest in any partnership or joint venture in which Nalcor Energy has management control or ownership as now constituted or hereafter is acquired
<i>Insurer</i>	Factory Mutual Insurance Company
<i>Policy Number</i>	SU933
<i>Policy Period</i>	1 July 2014 to 1 July 2015 both dates at 12:01 a.m., Standard Time at the location of the Property Insured

Perils Insured

All Risks of Physical Loss or Damage, except as excluded, as per Factory Mutual Insurance Policy Form

Limits of Liability

Maximum limit of liability in a single Occurrence, Regardless of the number of Locations or coverages involved, subject to sublimits as specified	2,000,000,000
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Annual Aggregate Limits

Earth Movement, Flood - Combined Aggregate	250,000,000
Land and Water Contaminant Cleanup, Removal and Disposal	500,000
Terrorism	5,000,000

Sublimits

Automatic Coverage (Newly acquired -90 days reporting) Excludes Turbine Units	100,000,000
Miscellaneous Unnamed Locations (Per Location)	25,000,000
Applicable to each of the following: Accounts Receivable Data, Programs and Software and Computer Systems Non-physical Damage combined Errors and Omissions Service Interruption Property Damage and Service Interruption Time Element, combined as respects all specified services interrupted Soft Costs Transportation – (Property in Transit inland and coastal)	10,000,000
Fine Arts, but not to exceed a \$10,000 limit per item for Irreplaceable Fine Arts not on a schedule on file with the Company.	10,000,000

Nalcor Energy
Summary of Insurance

Valuable Papers and Records, but not to exceed a \$10,000 Limit per item for Irreplaceable Valuable Papers and Records not on a schedule on file with the Company.	10,000,000
Professional Fees	25,000 + 50% of amount in excess of 25,000
Extra Expense, Expediting Costs and Extra Expense Replacement Power Combined, subject to a maximum of 100,000 per day	10,000,000

Time Limits

- Ingress/Egress – 30 day period, but not to exceed 10,000,000 limit

Deductibles

Property Damage	10,000,000
Time Element	30 days waiting period
Transportation of property	
Combined all Coverages	2,000,000
Computer Systems – Non Physical Damage	
	2 Day Equivalent minimum 10,000,000
Data, Programs or Software (malicious introduction of a machine code or instruction)	
	2 Day Equivalent, minimum 10,000,000

Property Insured

The Policy insures the following property, unless otherwise excluded in the Policy, located at an Insured Location or within 1,000 feet thereof, to the extent of the interest of the Insured in such property:

- Real Property, including new buildings and additions under construction at an Insured Location, in which the Insured has an insurable interest.
- Personal Property:
 - Owned by the Insured, including the Insured's interest as a tenant in improvements and betterments. In the event of physical loss or damage, the Company agrees to accept and consider the Insured as sole and unconditional owner of improvements and betterments, notwithstanding any contract or lease to the contrary
 - Of officers and employees of the Insured
 - Of others in the Insured's custody to the extent the Insured is under obligation to keep insured for physical loss or damage
- The interest of contractors and subcontractors in the insured property during construction at an Insured Location or within 1,000 feet thereof, to the extent of the Insured's legal liability for physical loss or damage to such property.

Basis of Loss Settlement

Lesser of Repair or Replacement Value

Nalcor Energy
Summary of Insurance

Major Exclusions:

- Transmission and distribution systems are **excluded**, except:
 - *when located at or within 1,000 feet of a generating station*
 - *or, when located within an insured substation or switchyard beginning at the first incoming circuit breaker or transformer bushing and ending at the last outgoing circuit breaker or transformer bushing*
- Time Element Coverage **excludes** Business Interruption/Gross Profits

Note:

This insurance summary:

- *Reflects terms & conditions applicable to Hardwoods Generating Station only, and should not be used in reference to any other Nalcor Energy assets or operations*
- *Is not inclusive of all terms and conditions of the insurance policies summarized*
- *Should not be used as evidence of, or the existence of any insurance*
- *Cannot be used to interpret insurance policy language*
- *Does not offer any opinion regarding the intent of any insurance coverage in effect*
- *Does not contain any advice on the adequacy of insurance coverage or limits insured*

If this summary differs in any way from policy wording then the policy wording will take precedence