

1 Q. **Reference: 2016 - 2020 Capital Plan, Volume I, Appendix B, Page B5** *“Given the*
2 *synergies between the execution of the TL 267 Project and the Lower Churchill*
3 *Project, the Lower Churchill Management Corporation will provide all project*
4 *management, engineering and construction management services for this Project.”*

5 Does Hydro have the necessary internal project management and engineering
6 resources to undertake the project management, engineering and construction
7 management services for the TL 267 project?

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10 A. Given the \$291 million TL267 capital project approved by The Board of
11 Commissioners of the Public Utilities in Board Order No. P.U. 53(2014), and the
12 existing Hydro capital planning and project deliverables, Hydro Project Execution
13 and Technical Services doesn’t have all the internal resources to undertake the
14 TL267 capital project. The best solution for project execution was to engage the
15 existing Lower Churchill Management Corporation team, who have available
16 capacity to complete the project management services. Their experience in
17 executing similar work in the same general location of the province, and knowledge
18 in Hydro standards and the current electrical system is an asset Hydro will utilize to
19 complete the project. However, Hydro’s Project Execution and Technical Services
20 will provide management participation to oversee the project costing and
21 deliverables.