

1 Q. **Reference: Reliability and Resource Adequacy Study 2022 Update, Volume III, page 48, lines**  
2 **17-20.**

3 Has there been any review or update to the 2017 SNC Lavaline Inc. cost estimate for Bay  
4 d’Espoir Unit 8, other than an adjustment for inflation, to consider such factors as increased  
5 labour costs and supply chain issues.

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8 A. In 2022, Newfoundland and Labrador Hydro (“Hydro”) contracted SNC-Lavalin to review the  
9 hydroelectric options on the Island and provide updated cost estimates for the “Reliability and  
10 Resource Adequacy Study – 2022 Update.”<sup>1</sup> The findings of this review are presented in the  
11 report, “Evaluation of Island Hydroelectric Generation Expansion Alternative,” provided as  
12 Attachment 4 to Hydro’s response to PUB-NLH-288 of this proceeding. The report also details  
13 the cost estimate escalation utilized.<sup>2</sup> The 2022 projected cost escalation was based on trends  
14 identified in construction work in which SNC-Lavalin was involved in at the time of the report.

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<sup>1</sup> “Reliability and Resource Adequacy Study - 2022 Update,” Newfoundland and Labrador Hydro, October 3, 2022.

<sup>2</sup> “Evaluation of Island Hydroelectric Generation Expansion Alternatives,” SNC-Lavalin, October 21, 2022, sec. 5.1, p. 15.