

1 Q. **Reference: Schedule 6, Project 2 Refurbish Intake 1 (2024-2025), Page 1, lines 1–3**

2 A Hydraulic Generation Refurbishment and Modernization Program was included in previous
3 Hydro capital budget applications but is not included in the 2024 Capital Budget Application. Has
4 this program been discontinued, paused or replaced by another program?

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7 A. This program was discontinued in the 2023 Capital Budget Application (“CBA”).¹ As discussed in
8 Section 1.1.1 of the CBA Overview,² prior to the 2023 CBA, Newfoundland and Labrador Hydro
9 (“Hydro”) generally defined programs as those expenditures that span multiple years and
10 address specific requirements for investment, with similar justification and scope year-over-
11 year. Recognizing the definition of programs provided in the provisional CBA Guidelines, Hydro
12 redefined programs in its 2023 CBA as only those expenditures that are expected to continue
13 indefinitely. As a result, the scopes of work that generally would have been covered under the
14 Hydraulic Generation Refurbishment and Modernization Program are now proposed as
15 individual projects or programs in Hydro’s 2024 Capital Budget Application, including:

- 16 ● Overhaul Hydraulic Units (2024): This program would have previously been included
17 under the Hydraulic Generation Refurbishment and Modernization Program, and has
18 existed as its own program since 2023.
- 19 ● Replace Annunciator - Phase 2 (2024–2025) - Bay d'Espoir: This project would have
20 previously existed under the Hydraulic Generation Refurbishment and Modernization
21 Program, but is now proposed as an individual project in 2024. Phase 1 of this project
22 was included as part of the 2021 CBA Hydraulic Generation Refurbishment and
23 Modernization Program.³

¹ “2023 Capital Budget Application,” Newfoundland and Labrador Hydro, July 13, 2022.

² “2024 Capital Budget Application,” Newfoundland and Labrador Hydro, rev. August 18, 2023 (originally filed July 12, 2023), sch. 1, p. 5.

³ “2021 Capital Budget Application,” Newfoundland and Labrador Hydro, rev. November 2, 2020 (originally filed August 4, 2020), vol. II, tab 2.