

1 Q. **Reference: Response to Request for Information NP-NLH-005 filed on January 25, 2023 in**
2 **relation to Hydro’s Application for Approval of Capital Expenditures for Section Replacement**
3 **and Weld Refurbishment for Bay d’Espoir Hydroelectric Generating Facility Penstock 1.**

4 Please provide an update to the referenced response to Request for Information that includes
5 any measures Hydro will undertake to ensure reliability of supply in the event that Penstock 1 is
6 not able to be returned to service in advance of the 2025-2026 winter season.

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9 A. As an update to NP-NLH-005¹ of the original application proceeding, Newfoundland and
10 Labrador Hydro (“Hydro”) reviewed risks that were identified as part of the Front-End
11 Engineering and Design process and where appropriate, risk mitigation measures were
12 implemented. Additionally, part of the scope developed for the preferred proponent is to
13 participate in a risk review workshop based on the proponent’s detailed work execution plan
14 and schedule to identify and develop appropriate mitigations for risk items.

15 In the event that Penstock 1 cannot be returned to service in advance of the 2025–2026 winter
16 season, Hydro may need to avail of the Holyrood Thermal Generating Station (“Holyrood TGS”)
17 and/or standby generation to support system conditions as required. Hydro will continue
18 prudent capital investment to maintain the Holyrood TGS, Stephenville Gas Turbine, and the
19 Hardwoods Gas Turbine until new supply resources can be added to the system. Currently, there
20 are no long-term firm import contracts in place, although there is a possibility that import
21 contracts could become available at some point in the future. To date, Hydro has not secured
22 any capacity support from external markets for a duration longer than one month and does not
23 have the basis to assume that such solutions would be available to meet Hydro’s requirements
24 to support a delayed return to service date of Units 1 and 2 at the Bay d’Espoir Hydroelectric
25 Generating Facility.

¹ “NP-NLH-005,” Newfoundland and Labrador Hydro, January 25, 2023,
<http://www.pub.nl.ca/applications/2022/NLH2022WeldRefurbishment/responses/NP-NLH-005.PDF>.