

1 Q. **Reference: 2025 Capital Budget Application, Schedule 3, Holyrood Thermal Generating Station**
2 **Overview, page 9, lines 5 to 8.**

3 Does Hydro anticipate that the execution of any of the capital projects identified in the five-year
4 plan will impact the available capacity of the Holyrood plant during the peak winter season?

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7 A. Newfoundland and Labrador Hydro (“Hydro”) does not anticipate that the execution of the
8 capital projects identified in the five-year plan will impact the available capacity of the Holyrood
9 Thermal Generating Station during the peak winter season; however, a minor impact on the
10 winter readiness season¹ for 2024–2025 is expected due to the ongoing 2024 project to
11 refurbish the Unit 1 steam turbine rotor. Completion of this work has been extended by
12 approximately two months due to unexpected findings requiring additional repair work and the
13 unit is currently scheduled to return to service in mid-December 2024. To date, work remains on
14 schedule for completion by mid-December; however, further delays are possible. Hydro is
15 working with the vendor to minimize or eliminate this impact on winter readiness and is actively
16 working towards returning the unit to service as early as possible. Notwithstanding the
17 unavailability of this asset for a period during this winter operating season, Hydro is prepared to
18 reliably serve customers with its combined fleet of assets.

19 Additionally, there is a project planned for completion in 2025 that has the potential to impact
20 the 2025–2026 winter season due to the possibility of unexpected findings. The major overhaul
21 of the Unit 3 turbine will be the first on this unit since 2016, and while there are no immediate
22 indications for concern, past experience with the overhaul of the Unit 2 turbine in 2023 and the
23 Unit 1 turbine in 2024 indicates the potential for unplanned work that could extend the outage.
24 Furthermore, a large portion of this project addresses a crack in the Unit 3 steam chest, which
25 has not been completed during past overhauls. Hydro recognizes that significant findings or
26 issues could postpone the return to service of Unit 3 beyond the start of the winter season, and
27 has mitigation efforts in place to reduce this risk, including beginning the outage early in the

¹ The winter readiness period begins December 1 and concludes March 31 of each year.

1 season to mitigate the risk of schedule overruns. However, should the return to service date of
2 the unit be postponed, Hydro will continue to service customers reliably using its regulated
3 generation sources and Muskrat Falls generation delivered via the commissioned Labrador-
4 Island Link.