

1 Q. **Reference: 2025 Capital Budget Application, Program 22, Diesel In-Service Failures (2025),**  
2 **page 5, lines 9 to 11.**

3 Please provide additional details on the basis for the program budget.

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6 A. This program began in 2023 to address unforeseen failures of various diesel generating station  
7 equipment associated with Newfoundland and Labrador Hydro’s (“Hydro”) 23 diesel generating  
8 stations; the program is intended to address circumstances where immediate refurbishment or  
9 replacement must be completed due to actual failures, the identification of an incipient failure,  
10 or faster-than-anticipated equipment deterioration. Hydro generally uses a three-year historical  
11 average for its in-service failure programs; however, due to the lack of historical data, the 2025  
12 budget has been partially based on expenditures under this program in 2023 and 2022,<sup>1</sup> as  
13 shown in Table 1 and engineering judgement.

**Table 1: Diesel In-Service Failures (2025)  
Program Budget Considerations**

<b>Year</b>	<b>Project Name</b>	<b>Cost (\$000)</b>	<b>Project Type</b>
2023	L’Anse-au-Loup Mobile Unit 2082 Generator Failure	191.8	In-Service Failures
2023	Hopedale Aftercooler Turbo	48.6	In-Service Failures
2023	Hopedale Unit 590 Replace Turbo and Intercooler	111.0	In-Service Failures
2023	McCallum Unit 589 Replace Failed Generator	23.7	In-Service Failures
2023	Rigolet Unit 2065 Engine Parts	69.7	In-Service Failures
2023	Charlottetown Unit 2088 Fire Repairs	129.0	In-Service Failures
2023	Charlottetown Unit 2088 Silencer	30.0	In-Service Failures
2023	Charlottetown 2108 Rad Fan	14.8	In-Service Failures
2023	Charlottetown Unit 2102 Cylinder Heads and Camshaft	100.0	In-Service Failures
2023	Port Hope Simson 2099 Turbos	15.0	In-Service Failures
2022	Mary’s Harbour Engine Failure	137.7	Supplemental

<sup>1</sup> The expenditures from 2022 include unplanned capital projects to address unforeseen failures of various diesel generating station equipment.

<b>Year</b>	<b>Project Name</b>	<b>Cost (\$000)</b>	<b>Project Type</b>
2022	Francois Generator Failure	31.3	Capital Under \$50,000
2022	Makkovik Roof Replacement	634.0	Supplemental