

1 Q. **Reference: Program 14 Hydraulic In-Service Failures (2025)**

2 What is Hydro’s approach to planned refurbishment of hydraulic structures, reservoirs, site
3 buildings, site services, and auxiliary equipment outside of its in-service failure program?

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6 A. Newfoundland and Labrador Hydro (“Hydro”) has an Asset Management Program which governs
7 the life cycle of its hydraulic generation assets. This program monitors, maintains, refurbishes,
8 replaces and disposes of assets with the objective of providing safe, reliable electrical power in
9 an environmentally responsible manner at least cost. Within this program, assets are grouped at
10 each location by five asset classifications, including hydraulic generating units, hydraulic
11 structures, reservoirs, site buildings and services, and auxiliary equipment. This allows asset
12 management personnel to establish, where possible, consistent practices as it applies to
13 equipment specification, placement, maintenance, refurbishment, replacement and disposal.

14 As it relates to the maintenance of physical assets, Hydro regularly inspects its assets through its
15 asset management program; once a deficiency is identified, Hydro’s operations and asset
16 management teams determine the corrective actions required. The timing of the corrective
17 actions is determined after considering various factors, but not limited to, reliability, safety,
18 frequency of operation, asset criticality, operating constraints and geographic location. The
19 long-term asset management teams then work with Hydro’s capital planning team to schedule
20 capital work. Hydro endeavors to include such work in its capital budget application where
21 possible; however, work that cannot be deferred is undertaken within the In-Service Failure
22 Program.