

1 Q. **Reference: Schedule 1, Page 4, lines 17 to 21.**

2 While Penstock 2 and 3 both exhibit signs of wear, corrosion, and potential
3 stress-related issues, Penstock 3 presents a more immediate risk to reliability.
4 This is due to the extent, urgency, and frequency of weld indications as well as
5 their reoccurrence in previously repaired locations. This assessment is
6 supported by Kleinschmidt ongoing annual inspections and the resulting
7 recommendations.

8 Provide the recommendations provided by Kleinschmidt that support proceeding with
9 Penstock 3 prior to Penstock 2.

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12 A. As per Newfoundland and Labrador Hydro’s (“Hydro”) response to PUB-NLH-002 of this
13 proceeding, in documentation provided to Hydro dated May 2025, Kleinschmidt Associates
14 advised Hydro of an error in the 2024 assessment report whereby the recommended
15 replacement timelines for Penstocks 2 and 3 were inadvertently swapped. As a result, the
16 recommended replacement timeline for Penstock 3 is within five years and Penstock 2 within
17 seven years, based on the higher volume of indications found in Penstock 3.

18 This has been reinforced by the 2025 Inspection Report recommendation that, “. . . in order of
19 priority, Penstock 3 should be refurbished before Penstock 2.”¹ The report was received by
20 Hydro subsequent to the project application and is provided as part of Hydro’s response to PUB-
21 NLH-003 of this proceeding.

¹ “Penstock 3 Inspection and Evaluation – Bay d’Espoir Hydroelectric Development – Penstocks 1–3 Inspection Project,” Kleinschmidt Associations, May 2026, s. 6.0.