

1 Q. **Reference: Programs and Projects Under \$750,000, Procure Accommodations – Postville, Page**
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3 What types of accommodations are available for procurement in Postville?
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6 A. There are no commercial accommodations available in the community of Postville. Private
7 rental homes have been available intermittently; however, they do not represent a sustainable
8 long-term solution and cannot be relied upon to provide safe, reliable accommodations for
9 employees who have to travel into the community to work.

10 Newfoundland and Labrador Hydro (“Hydro”) notes that while as of May 31, 2026, there was no
11 reportable variance identified for the Procure Accommodations (2026) – Makkovik project; this
12 project has recently incurred higher-than-originally-estimated procurement and construction
13 expenditures, resulting in a change in materiality.¹ Given the projects’ similar geographic
14 locations and procurement requirements, Hydro now anticipates that capital expenditures for
15 the project to Procure Accommodations (2027) – Postville are likely to exceed the Under
16 \$750,000 materiality threshold. As this project was filed in Hydro’s 2027 Capital Budget
17 Application (“CBA”) with evidence supporting a project with capital expenditures under
18 \$750,000, Hydro intends to remove the project from its 2027 CBA and refile the project in the
19 2028 CBA with the appropriate evidence as required for the level of materiality.

¹ The Procure Accommodations (2026) – Makkovik project was originally filed as a capital expenditure Under \$750,000 in Hydro’s 2026 Capital Budget Application (“CBA”). The preliminary updated estimate for this work is \$1,205,200; a variance of \$520,500 from the original budget of \$684,700 as approved by the Board of Commissioners of Public Utilities.