

1 Q. **Reference: Schedule 1, 2027 Capital Budget Overview: Table 7, page 23**

2 Explain why Refurbish Stage 1 Cooling Water Sumps (2027) was cancelled.

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5 A. Newfoundland and Labrador Hydro (“Hydro”) cancelled this project based on extrapolation of
6 consultant data for the Stage II Cooling Water Sumps, which indicated that current interim
7 safety measures are considered acceptable for continued operation of the asset at its modified
8 performance level.^{1,2} Until such time that repairs to restore the asset to its original design
9 capacity are deemed necessary, an annual drone inspection was recommended and is planned
10 for completion to monitor progression of deterioration.

¹ Please refer to Hydro’s response to PUB-NLH-009 of the 2025 Capital Budget Application – Notification of Change to Project Budget proceeding.

² Deterioration of the reinforced concrete beams, which support the floor slab for each pumphouse, has compromised their integrity resulting in a restriction of floor loading to foot traffic only, limiting Hydro’s ability to complete prescribed maintenance on the assets that are housed within the buildings.