

October 15, 2020

The Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Ms. Cheryl Blundon
Director of Corporate Services & Board Secretary

Dear Ms. Blundon:

Re: Allowance for Unforeseen Capital Expenditures Monthly Reporting

Further to the Board of Commissioners of Public Utilities' ("Board") letters of May 24, 2013 and January 29, 2015, enclosed please find Newfoundland and Labrador Hydro's expenditures report setting out all capital expenditures made in relation to the Allowance for Unforeseen Items in September 2020.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO



Shirley Walsh
Senior Legal Counsel, Regulatory
SAW/sk

Encl.

ecc: **Board of Commissioners of Public Utilities**
Ms. Jacqui Glynn
PUB Official Email

Newfoundland and Labrador Hydro
Allowance for Unforeseen Expenditures
For the Period January 1, 2020 to September 30, 2020

| | Charlottetown Diesel Plant Fire ¹ (\$) | Charlottetown Generator Replacement ² (\$) | Port Hope Simpson Engine Replacement ³ (\$) | Total (\$) | Balance (\$) | Comments |
|---------------------------|---|--|---|------------------|-----------------|------------------------------------|
| Approved Allowance | | | | | 1,000,000 | See Board Order No. P. U. 6 (2020) |
| Expenditures | | | | | | |
| January | (116,278) | - | - | (116,278) | 883,722 | |
| February | (39,468) | - | - | (39,468) | 844,254 | |
| March | (64,803) | - | - | (64,803) | 779,451 | |
| April | 14,884 | - | - | 14,884 | 794,335 | |
| May | (35,223) | - | - | (35,223) | 759,112 | |
| June ⁴ | 101,021 | - | - | 101,021 | 860,133 | |
| July | (2,366) | - | - | (2,366) | 857,767 | |
| August | (100) | (32,065) | - | (32,165) | 825,603 | |
| September | (520) | (41,502) | - | (42,023) | 783,580 | |
| October | - | - | - | - | 783,580 | |
| November | - | - | - | - | 783,580 | |
| December | - | - | - | - | 783,580 | |
| Total | (142,853) | (73,567) | - | (216,420) | 783,580 | |

¹ On November 13, 2019, Newfoundland and Labrador Hydro ("Hydro") notified the Board of Commissioners of Public Utilities ("Board") of capital requirements at Charlottetown in response to a fire in the diesel plant on October 3, 2019. The work was completed on February 7, 2020 and the final report was filed with the Board on March 9, 2020. The costs in the Allowance for Unforeseen report reflect actuals. 2019 actuals were \$738,407 for a total project spend of \$881,260 at September 30, 2020.

² On July 28, 2020, Hydro notified the Board of capital requirements at Charlottetown in response to failure of the generator portion of genset Unit 2102. Hydro sourced a replacement generator and had it installed on August 8, 2020. The final report was filed with the Board on September 8, 2020, which estimated a total project spend of \$73,500. The costs in the Allowance for Unforeseen report reflect actuals.

³ On September 14, 2020, Hydro notified the Board of capital requirements at Port Hope Simpson in response to failure of the engine portion of genset Unit 2099. A replacement engine has been ordered, with the earliest possible delivery in late January 2021. No costs were incurred to September 30, 2020.

⁴ Reversal in June 2020 reflects amount inadvertently charged to allowance for unforeseen.