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January 15, 2019

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's letter of January 29, 2015, enclosed please find one (1) original and eight (8) copies of Newfoundland and Labrador Hydro's November 2018 expenditures report setting out all capital expenditures made in relation to the Allowance for Unforeseen Items.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Shirley A. Walsh
Senior Legal Counsel – Regulatory
SAW/kd

Newfoundland and Labrador Hydro
Allowance for Unforeseen Expenditures
For the Period January 1, 2018 to December 31, 2018

	Refurbishment - Bay d'Espoir Penstock #3 ⁽¹⁾	Rigolet Diesel Engine Failure ⁽³⁾	Total (\$)	Balance (\$)	Comments
Approved Allowance				1,000,000	See Order No. P.U. 43(2017)
Expenditures:					
January	-	-	-	1,000,000	
February	-	-	-	1,000,000	
March	-	-	-	1,000,000	
April	-	-	-	1,000,000	
May	(1,389,039)	-	(1,389,039)	(389,039)	
June	(2,830,770)	-	(2,830,770)	(3,219,809)	See Order No. P.U. 19(2018)
July	(505,848)	-	(505,848)	(3,725,657)	
August	(44,721)	-	(44,721)	(3,770,378)	
September	(4,944)	-	(4,944)	(3,775,323)	
October	32,144	-	32,144	(3,743,179)	
November	-	-	-	(3,743,179)	
December	-	-	-	(3,743,179)	
Total	(4,743,179)	-	(4,743,179)	(3,743,179)	⁽²⁾

⁽¹⁾ The work related to the Bay d'Espoir - Penstock #3 Refurbishment is complete as of July 9, 2018. The final project report was filed with the Board on August 2, 2018. Costs have been adjusted in comparison to the final report to reflect actuals.

⁽²⁾ Balance to date exceeds the Approved Allowance in Order No. P.U. 43(2017). As a result, Hydro applied to the Board for approval to restore the Allowance for Unforeseen Items account to \$1,000,000 on June 20, 2018, which was approved in Board Order No. P.U.19(2018).

⁽³⁾ On December 20, 2018, Hydro notified the Board of a failure of Unit 2051 diesel engine in Rigolet. The replacement unit is expected to be installed at the end of January 2019. The corresponding costs relating to the expenditure will be incurred in 2019.