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We'll be there.



February 21, 2025

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

Attention: Jo-Anne Galarneau
Executive Director and Board Secretary

Dear Ms. Galarneau:

Re: Newfoundland Power's Normal Hydroelectric Production for 2025

Background

In 2000, Newfoundland Power Inc. (the "Company") retained Acres International ("Acres"), a hydrology consultant, to review its hydroelectric generating systems with a view to determining an appropriate estimate of normal hydroelectric production ("Normal Hydroelectric Production"). The resulting water management study recommended Normal Hydroelectric Production of 423.1 GWh.

The study further recommended that Newfoundland Power should undertake a formal review of Normal Hydroelectric Production approximately every five years. In addition, the study recommended that Normal Hydroelectric Production be adjusted annually to reflect the impact on production of any scheduled outages in the year, and that adjustments also be made to reflect the impact on production of physical changes to the Company's hydroelectric facilities.

In 2015, the Company retained Acres' successor firm Hatch Ltd. ("Hatch") to update the hydrology studies that were completed in 2000 and 2010. The review completed by Hatch, which was filed with the Board in February 2017, recommended a Base Normal Hydroelectric Production of 438.6 GWh. In 2020, Newfoundland Power retained Hatch to conduct an updated Hydro Production Normal Review. The review was completed in April 2021 and the subsequent report recommending a Base Normal Hydroelectric Production of 438.4 GWh was filed with the Board in February 2022.

Newfoundland Power Inc.

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Annual Adjustment

In 2025, the Company has scheduled the Mobile Hydro Plant Penstock Refurbishment and the Lookout Brook Hydro Plant Refurbishment projects which were approved by the Board in Order No. P.U. 27 (2024). In addition, completion of the multi-year Mobile Hydro Plant Refurbishment project, which was approved by the Board in Order No. P.U. 38 (2022), is delayed until April, 2025 due to worse than anticipated condition of mechanical components and longer lead times associated with the generator overhaul. The Victoria Hydro Plant currently remains out of service since the penstock failed and was removed in 2024.

To reflect projected spillage associated with the Mobile Hydro Plant, the Lookout Brook Hydro Plant, and the Victoria Hydro Plant, the Base Normal Hydroelectric Production figure of 438.4 GWh should be adjusted downward by 21.6 GWh. The Adjusted Normal Hydroelectric Production for 2025 is therefore 416.8 GWh.

Concluding

For ease of reference, the calculation of the Adjusted Normal Hydroelectric Production for 2025 is shown on the attached Schedule "A".

If there are any questions with respect to this matter, please contact the undersigned.

Yours truly,



Siobhan Donovan
Manager Regulatory Affairs

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SCHEDULE "A"

**NEWFOUNDLAND POWER INC.
ADJUSTMENTS TO NORMAL HYDROELECTRIC PRODUCTION (GWh)**

2025

Base Normal Hydroelectric Production	438.4
<i>Less: Estimated Lost Production from Scheduled Outages (2025)</i>	18.5
<i>Less: Estimated Lost Production from Physical Changes (2024)</i>	3.1
Adjusted Normal Hydroelectric Production	<u>416.8</u>