

1 Q. **Reference Application Rev. 1, Volume 2, Hydraulic Generation Refurbishment and**
2 **Modernization (2021 – 2022)**

3 Please explain how this project fits with Hydro’s asset management program.

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6 A. Newfoundland and Labrador Hydro (“Hydro”) must plan and manage its physical asset base for
7 both optimum performance and optimum useful life. Hydro utilizes its asset management
8 framework to plan, operate, maintain, and renew its physical infrastructure in its efforts to
9 achieve required service standards and to optimize its assets value. The Hydraulic
10 Refurbishment and Modernization project was established to execute required sustaining
11 capital work for existing hydraulic production assets. Additional information on the measures
12 used to identify the sustaining work included in the Hydraulic Refurbishment and Modernization
13 project is available in the Hydraulic Management Overview provided as Attachment 1 to the
14 Hydraulic Generation Refurbishment and Modernization project justification report.¹

¹ “2021 Capital Budget Application,” Newfoundland and Labrador Hydro, rev 1, August 7, 2020 (originally filed August 4, 2020), vol II, tab 2.