

- 1 Q. **Reference Application Rev. 1, Volume 2, Refurbish Ebbegunbaeg Control Structure, pages 6**
2 **and 7) In the cost benefit analysis:**
- 3 a. What study period was used in the analysis?
- 4 b. Please confirm that the cost estimates for the alternatives are based on RDE estimates
5 provided in the attachment.
- 6 c. What life expectancy did Hydro give each alternative?
- 7 d. What operating and maintenance cost estimates did Hydro use for each alternative?
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- 10 A.
- 11 a. As detailed in the Refurbish Ebbegunbaeg Control Structure report,¹ the study period of the
12 cost-benefit analysis for the stoplog monorail hoist system refurbishment is four years.
- 13 b. The estimates for each alternative were based on RD Énergie (“RDE”) estimates but included
14 updated material costs for the supply of steel and the new hoist system.
- 15 c. Typical structural refurbishments anticipate an additional service life of approximately 20–
16 25 years. As noted in the RDE report, Alternatives 2 and 3 would have the longer service life
17 (durability); therefore, Hydro anticipates a service life of at least 25 years for the selected
18 alternative for the stoplog monorail hoist system refurbishment.
- 19 d. The cost-benefit analysis for each alternative was performed over a four-year study period
20 (i.e., the length of the program to refurbish the control structure). The analysis was only
21 used for the new stoplog monorail hoist system; therefore, the operation and maintenance
22 of the entire control structure was not considered for this analysis. For each alternative

¹ “2021 Capital Budget Application,” Newfoundland and Labrador Hydro, rev 1, August 7, 2020 (originally filed August 4, 2020), vol II, tab 3, at p. 7/9–10.

1 considered for the new stoplog monorail hoist system, there would be a cost to maintain
2 and operate this new asset. However, as each alternative is similar and has similar
3 equipment, the operation and maintenance cost were determined to be similar for each
4 alternative and negligible to the outcome of a cost-benefit analysis. Therefore, operation
5 and maintenance costs were not included in the cost-benefit analysis.