

1 Q. **Volume I: 2021-2025 Capital Plan**

2 Appendix A lists all the projects that Hydro has planned for the years 2021-2025.

3 Please list the capital expenditures associated with the Labrador Interconnected System and
4 provide the impact on revenue requirement and rates to Labrador Interconnected Rural and
5 Labrador Industrial Regulated customers for the years 2021 through to 2025.

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8 A. Newfoundland and Labrador Hydro's ("Hydro") proposed capital projects for the Labrador
9 Interconnected System are outlined in Table 1.

Table 1: Labrador Interconnected Projects (\$000)

Project	2021	2022	2023	2024	2025
Terminal Station Refurbishment and Modernization (2020–2021)	924.2				
Terminal Station Refurbishment and Modernization (2021–2022) ¹	584.5	419.2			
Replace Fire Suppression System - Happy Valley Gas Turbine (2020–2021)	2,377.9	-	-	-	-
Refurbish 230 kV Terminal Station Part 2 - Wabush (2020–2021)	1,535.4				
Wabush Terminal Station Upgrades	2,301.7	4,935.5	4,335.7	-	-
Provide Service Extensions in Labrador Region (2021–2025)	1,218.6	1,449.0 ²	1,476.0	1,503.0	1,395.0
Additions for Load Growth - Happy Valley Line 7 ³	617.6	-	-	-	-
Labrador City L22 Voltage Conversion	593.6	-	-	-	-
Replace Voltage Regulator - Happy Valley Gas Turbine	131.3	211.0	-	-	-
Replace Fuel Oil, Lube Oil, and Glycol Pumps - Happy Valley Gas Turbine	234.7	170.5	-	-	-
Upgrade Compressed Air System - Happy Valley Gas Turbine	76.6	69.2	-	-	-
Purchase Backhoe - Wabush	179.2	-	-	-	-
Purchase Capital Spares - Gas Turbines (2021)	213.8	-	-	-	-
Distribution In-Service Failures and Miscellaneous Upgrades in Labrador Region (2021–2025)	784.7	697.5	708.4	719.3	676.3
Install Infrared Scanning Ports - Happy Valley Gas Turbine	-	72.0	-	-	-
Upgrade Outside Property - Happy Valley Gas Turbine	-	120.0	-	-	125.0
Replace Lube Oil / Glycol Cooler Radiator Coil - Happy Valley Gas Turbine	-	50.0	150.0	-	-
Inspect Fuel Tanks - Happy Valley Gas Turbine	-	-	-	-	100.0
Replace Transformers - Wabush Terminal Station T3	-	1,254.1	4,959.0	-	-
Inspect Synchronous Condenser 2 Majorly - Wabush Terminal Station (2022)	-	273.0	-	-	-
Construct Fire Separation Wall between Transformers - Happy Valley Gas Turbine	-	-	38.5	491.7	-
Inspect Synchronous Condenser 2 Majorly - Wabush Terminal Station (2025)	-	-	-	-	290.0
Additions for Load - Wabush Substation Upgrades	1,186.7	6,365.1	2,941.6	-	-
Total	12,960.5	16,086.1	14,609.2	2,714.0	2,586.3

¹ Investments associated with the Terminal Station Refurbishment and Modernization project are not listed for 2023–2025 time frame as the details on the latter years of the five-year plan are not fully finalized at this time and it would be premature to segregate according to system.

² The 2023 amount was inadvertently omitted from Appendix A of the 2021–2025 Capital Plan in the 2021 Capital Budget Application.

³ Investments associated with Additions for Load Growth (Distribution) are not listed beyond 2021 as the details on 2022–2025 time frame are not fully finalized at this time and it would be premature to segregate according to system.

1 The estimated revenue requirement and rate impact of these projects for Labrador Rural
2 Interconnected Customers is provided in Table 2. The calculations provided in Table 2 reflect
3 that capital investments at the Wabush substation are specifically assigned to Hydro Rural
4 customers as this substation does not provide service to the Labrador Industrial customers.

Table 2: Labrador Rural Interconnected Estimated Rate Impacts

Particulars	2021	2022	2023	2024	2025	Cumulative
Revenue Requirement (\$000)	289.6	1,056.6	1,903.5	2,227.2	2,171.7	2,171.7
Rate Impact (%) ⁴	1.4%	3.8%	4.1%	1.6%	-0.3% ⁵	10.6%

5 The estimated revenue requirement and rate impact of these projects for Labrador Industrial
6 Customers is provided in Table 3.

Table 3: Labrador Industrial Customer Estimated Rate Impacts

Particulars	2021	2022	2023	2024	2025	Cumulative
Revenue Requirement (\$000)	322.5	903.5	1,467.4	1,750.9	1,707.2	1,707.2
Rate Impact: Demand Billings (%) ⁶	6.5%	11.7%	11.3%	5.7%	-0.9% ⁷	34.3%
Rate Impact: Total Billings (%) ⁸	0.7%	1.2%	1.2%	0.6%	-0.1% ⁹	3.6%

⁴ Estimated incremental rate impact based on Hydro's approved 2019 Test Year. This impact does not reflect any change in sales volumes.

⁵ The estimated rate impact in 2025 is negative due to the natural decline in net book value reflected in rate base as a result of depreciation.

⁶ Estimated incremental rate impact based on Hydro's approved 2019 Test Year, reflecting regulated demand charges only. This impact does not reflect any change in sales volume.

⁷ The estimated rate impact in 2025 is negative due to the natural decline in net book value reflected in rate base as a result of depreciation.

⁸ Estimated incremental rate impact based on Hydro's approved 2019 Test Year, reflecting total customer billings. This impact does not reflect any change in sales volumes.

⁹ The estimated rate impact in 2025 is negative due to the natural decline in net book value reflected in rate base as a result of depreciation.