

1 Q. **Reference: Schedule 1, page 11, Table 1.**

2 Please provide details of the scope of work required for each expenditure listed in Table 1.
3 Include in the response why each scope of work is required to be completed at this time and
4 when Hydro expects each of the expenditures to be made.

5

6

7 A. Please refer to PUB-NLH-010, Attachment 1. Newfoundland and Labrador Hydro has excluded
8 cancellation clause costs¹ as they are not capital costs and would only be incurred in the event
9 of project cancellation.

¹ Originally provided in "Cancellation Clause Costs (C)" column within Table 1 of Schedule 1 of this application.

Additional Early Execution Application – Bay d'Espoir Unit 8 and Avalon Combustion Turbine

Table 1: Avalon Combustion Turbine – Early Execution and Additional Early Execution Scope and Budgets

Category	Approved Budget Amount ¹ (A)	Approved Budget Work Scope/Description	Additional Early Execution Budget ² (B)	Additional Early Execution Costs Work Scope/Description	Expenditure Timeframe	Early Execution Capital Budget (A+B)
EPDM ³ Support and Internal Project Management		Internal labour for both project management and engineering to support the development and management of the geotechnical work, miscellaneous studies, Newfoundland and power Inc. ("Newfoundland and Power") line relocations, early civil works, environmental assessments and emissions modelling, EPDM procurement, combustion turbine ("CT") procurement and transformer procurement.		Internal labour for both project management and engineering to support the management of the following: <ul style="list-style-type: none"> Site Civil Development - develop, award and manage engineering design for the site civil development. Circuit Breakers - develop and award an Request for Proposal package to procure terminal station circuit breakers. EPDM - Award EPDM contact. CT Procurement - Manage oversight and fabrication of CT's from a quality and timely delivery perspective to ensure that all visible risks are mitigated. This will include oversight, verification and adherence to contractual milestone payments by suppliers. Transformer Procurement - Manage oversight and fabrication of generator step-up ("GSU") Transformer from a quality and timely delivery perspective to ensure that all visible risks are mitigated. This will include oversight, verification and adherence to contractual milestone payments by suppliers. 	Q1-Q2 2026	
CT Procurement				The noted items above are required to be completed at this time to ensure costs are negotiated and long lead items are procured to reduce overall project risk. The contract for the Avalon CT requires milestone payments with the next payment due March 26, 2026. This payment will secure the production slot and confirm the overall contract amount. Approval of the Additional Early Execution Application is required for this payment; failure to make the payment will result in cancellation of the contract and forfeit of all payments made to date.	Q2 2026 ⁴	
Early Site Works and Geotechnical Study		Contractor and consultant costs estimate for early site work early site works, geotechnical study, and Newfoundland and Power line relocations		Early site work completed in 2025, Geotechnical report to be completed in Q1 2026, site civil development in April/May, circuit breaker award in June. The noted items above are required to be completed at this time to ensure costs are negotiated and long lead items are procured to reduce overall project risk.		
GSU Transformer Procurement		The initial downpayment for the transformers in 2025 estimated at 10% of the final contract cost.		Q1 2026 upon award of contract	N/A	
Environmental Assessment Registration and Studies		Consultant costs for the Environmental Assessment, Registration and emissions modelling.		Completed in 2025	Q2 2025	Any additional engineering or environmental studies that come from design recommendations as required.

¹ As approved in Board Order No. P.U. 17/2025.² Budget includes project termination costs, should the project not be approved.³ Engineering, Procurement and Construction Management ("EPCM").⁴ Approval of Additional Early Execution Application must be received in March 2026 as discussed in Newfoundland and Labrador Hydro's response to PUB-NLH-007 of this proceeding.

PUB-NLH-010, Attachment 1
Additional Early Execution Application – Bay d'Espoir Unit 8 and Avalon Combustion Turbine
Page 2 of 2

Table 1: Avalon Combustion Turbine – Early Execution and Additional Early Execution Scope and Budgets

Category	Approved Budget Amount ¹	Approved Budget	Additional Early Execution		Capital Budget (A+B)
			Work Scope/Description	Expenditure Timeframe	
Contingency		Contingency associated with the early execution project.	Contingency carried in to 2026	New contingency associated with continuation of early execution project.	Q1-Q2 2026
Interest During Construction ('IDC') and Escalation		IDC and escalation associated with the early execution project.	Completed in 2025	New IDC and escalation associated with the continuation of the early execution project.	Q1-Q2 2026
Total	30,710		29,294		60,004

¹ As approved in Board Order No. P.U. 17/2025.

² Budget includes project termination costs, should the project not be approved.

³ Engineering, Procurement and Construction Management (EPCM).

⁴ Approval of Additional Early Execution Application must be received in March 2026 as discussed in Newfoundland and Labrador Hydro's response to PUB-NLH-007 of this proceeding.