

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

2 Please add another column to the right of Table 1 that sums the entire amount at risk for each
3 line item. The amount at risk is the sum of columns A, B and C.

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6 A. The information requested is provided in Table 1. The cancellation clause costs column is revised
7 in accordance with Newfoundland and Labrador Hydro's ("Hydro") response to PUB-NLH-012 of
8 this proceeding.

**Table 1: Additional Early Execution Budget
for Avalon Combustion Turbine Including Financial Risk
(\$000)¹**

Category	Approved Budget Amount ² (A)	Additional Early Execution Budget (B)	Cancellation Clause Costs ³ (C)	Total Early Execution Capital Budget (A+B)	Total Financial Risk Exposure to Hydro ⁴ (A+B+C)
EPCM ⁵ Support and Internal Project Management	██████████	██████████	-	██████████	██████████
Combustion Turbine ("CT") Procurement	██████████	██████████	- ⁶	██████████	██████████
Early Site Works and Geotechnical Study	██████████	██████████	-	██████████	██████████
GSU ⁷ Transformer Procurement	██████████	██████████	████ ⁸	██████████	██████████
Environmental Assessment Registration and Studies	██████████	██████████	-	██████████	██████████
Contingency	██████████	██████████	-	██████████	██████████
Interest During Construction and Escalation	██████████	██████████	-	██████████	██████████
Total	30,710	29,294	████	60,004	██████████

¹ Please refer to Hydro's response to PUB-NLH-010, Attachment 1 for a description of additional early execution costs for the Avalon CT project.

² As approved in Board Order No. P.U. 17(2025).

³ Reserve for cancellation clause payments. These are only paid in the event that the project is not approved and are therefore considered operating costs. They have not been included within the additional early execution capital budget.

⁴ Hydro would only incur the total financial risk of \$████ million if the project expenditures continued into June 2026 before the Board of Commissioners of Public Utilities denied the Additional Early Execution Application or the 2025 Build Application.

⁵ Engineering, Procurement and Construction Management ("EPCM").

⁶ Please refer to Hydro's response to PUB-NLH-012 of this proceeding. Since the submission of the application, Hydro negotiated the elimination of additional cancellation costs; therefore, the cost exposure for Hydro is limited to costs already paid to the vendor by Hydro. No further costs, besides those already paid to the vendor, are required to be paid should Hydro terminate the contract.

⁷ Generator step-up ("GSU").

⁸ Please refer to Hydro's response to PUB-NLH-012 of this proceeding. Hydro's application included a cancellation clause cost of \$████ million for the GSU transformer procurement based on an assumed █████% cancellation fee; however, since the submission of the application, Hydro has negotiated the cancellation costs to \$████ million.