Q. **Reference: Schedule 1, page 18, Table 2.**

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

A. Please refer to PUB-NLH-014, Attachment 1. Newfoundland and Labrador Hydro has excluded the cancellation clause costs[1] as they are not capital costs and would only be incurred in the event of project cancellation.

[1] Originally provided in "Cancellation Clause Costs (C)" column within Table 2 of Schedule 1 of this application.

Table 1: Bay d'Espoir Unit 8 – Early Execution and Additional Early Execution Scope and Budgets

Category	Approved Budget Amount[1] (A)	Approved Budget Work Scope/Description	Expenditure Timeframe	Additional Early Execution Budget[2] (B)	Additional Early Execution Costs Work Scope/Description	Expenditure Timeframe	Early Execution Capital Budget (A+B)
EPCM[3] Support and Internal Project Management	[redacted]	Engage EPCM contractor to support the following activities: • Complete geotechnical investigations and surveys that are needed to support execution phase. Engineering and specifications for long lead or early equipment, such as turbine and generator ("T&G") package, generator step-up ("GSU") transformer, draft tube stop logs, and 230 kV breakers. • Detailed execution planning activities, such as establishing project execution plan, contracting plan, and other planning documentation.	Q2 2025–Q2 2026	[redacted]	The additional early execution work required for 2026 is generally a continuation and extension of the work planned for 2025 and is summarized as follows: • Continue field/geotechnical investigations and survey work needed to support the detailed design phase. • Continue detailed execution planning activities, such as establishing an execution plan, contracting plan, and other planning documentation. • Begin detailed design for preliminary works (e.g., site development, camp accommodations, access roads), intake, penstock, powerhouse, and T&G interface. • Begin procurement of GSU transformer and 230 kV circuit breakers. • Finalize contract with turbine and generator supplier. The noted items above are required to be completed at this time to maintain the overall project schedule and completion date.	Q1–Q2 2026	[redacted]
T & G Procurement		Engage T&G original equipment manufacturers to complete Computational Fluid Dynamics ("CFD") modeling and model testing. The work would also include confirmation of the final supply and install pricing and schedule.	Q2 2025–Q2 2026		Begin activities including detailed design, CFD, and model testing. This work is required to maintain the overall project schedule and completion date, as the procurement of the turbine generator is on the critical path for the project. Also, the procurement process for the turbine generator package is a lengthy and complicated process and if this work was halted, the procurement process would likely need to be repeated, which would add significant time and risk of cost escalation to the project.	Q1–Q2 2026	
Environmental Assessment ("EA") Registration and Studies		The EA Registration and associated Environmental Protection Plan were submitted to the Department of Environment, Conservation and Climate Change on July 31, 2025, and the release from further EA was received on November 14, 2025.	Complete		Continue with stakeholder engagment activities and begin activities associated with the EA release conditions, such as preparation of a Benefits Strategy. This work is required as a condition of EA release.	Q1–Q2 2026	

[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").

Table 1: Bay d'Espoir Unit 8 – Early Execution and Additional Early Execution Scope and Budgets

Category	Approved Budget Amount[1] (A)	Approved Budget Work Scope/Description	Expenditure Timeframe	Additional Early Execution Budget[2] (B)	Additional Early Execution Costs Work Scope/Description	Expenditure Timeframe	Early Execution Capital Budget (A+B)
Utilities Reroute		N/A	N/A		Complete reroute of existing site utilities necessary to facilitate Unit 8 construction including rerouting of existing site distribution line segments, control cables, and bus structures. This work is required to facilitate the planned start of construction date for the project. It is necessary to complete much of this work during equipment outages, therefore there are limited opportunities to complete this work on a yearly basis. This work is planned to be completed during planned equipment outages in 2026.	Q1–Q2 2026	
GSU Transformer Procurement		N/A	N/A		Procurement of the GSU transformer. Costs are estimated progress payments for confirmation of production slot, engineering and early deliverable documents. This work is required to maintain the overall project schedule and completion date, as the procurement of the GSU is a long-lead equipment item.	Q2 2026	
Circuit Breakers Procurement		N/A	N/A		Procurement of the circuit breakers. Hydro does not anticipate a progress payment being required during the additional early execution period; however, the purchase contract may be established. This work is required to maintain the overall project schedule and completion date, as the procurement of the circuit breakers is a long lead equipment item.	N/A	
Contingency		Contingency associated with the early execution work.	Contingency carried into 2026		New contingency associated with continuation of early execution work.	Q1–Q2 2026	
Interest During Construction ("IDC") and Escalation		IDC and escalation associated with the early execution work.	Complete		New IDC and escalation associated with the continuation of the early execution project.	Q1–Q2 2026	
Total	**16,670**			**5,630**			**22,300**

[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").