

1 Q. Is there a way for the Board to expedite the application for Capital Expenditures that would
2 essentially eliminate any perceived benefits from filing the Early Execution Capital Work
3 application?

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6 A. Newfoundland and Labrador Hydro (“Hydro”) does not believe that there is a feasible way for
7 the Board of Commissioners of Public Utilities (“Board”) to expedite the 2025 Build Application
8 to eliminate the need for the Early Execution Application.

9 As stated in Hydro’s 2025 Build Application,¹ the estimated completion timelines of the Bay
10 d’Espoir Unit 8 and Avalon Combustion Turbine projects in 2031 and 2029, respectively, align
11 with Hydro’s resource planning outlook and enables the earliest possible retirement of aging
12 assets, including Holyrood Thermal Generating Station. These timelines assume that the Early
13 Execution Application is approved in April 2025 to allow for project continuity while the Board
14 and parties consider the 2025 Build Application and to mitigate risks associated with supply
15 chain delays and market pressures while that review is underway.

16 Hydro’s timelines, noted above, assume approval is received for the 2025 Build Application in
17 the fourth quarter of 2025.² The 2025 Build Application requests approval of a significant
18 investment into vital infrastructure, and Hydro acknowledges and agrees that substantive
19 review by the Board and parties is necessary. It is not reasonable to expect the review of the
20 2025 Build Application to be complete on the timeline that is necessary to proceed with the
21 capital expenditures noted in the Early Execution Application, and approvals for either
22 application later than estimated will introduce delays in project schedule that risk pushing
23 project completion into future years at additional cost to customers.

¹ “Application for Capital Expenditures for the Purchase and Installation of Bay d’Espoir Unit 8 and Avalon Combustion Turbine,” Newfoundland and Labrador Hydro, filed on March 21, 2025, (“2025 Build Application”), sch. 1, sec. 4.1, pp. 19-22.

² Hydro requested Board approval of the Early Execution Application to protect the schedule and costs while allowing for the time necessary for the overall regulatory proceeding. The project schedule assumes time for a thorough review and evaluation of the project through a 2025 Build Application regulatory proceeding necessary to obtain Board approval by the end of the fourth quarter of 2025.