

1 **IN THE MATTER OF** the **Electrical Power**
2 **Control Act**, 1994, SNL 1994, Chapter E-5.1
3 (the “**EPCA**”) and the **Public Utilities Act**, RSNL
4 1990, Chapter P-47 (the “**Act**”), as amended,
5 and regulations thereunder; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland and Labrador Hydro for
9 approval of capital expenditures for the
10 purchase, construction, and installation
11 of Unit 8 at the Bay d’Espoir Hydroelectric
12 Generating Facility, and a combustion
13 turbine located on the Avalon Peninsula.

PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION

Avalon Combustion Turbine Project
PUB-NLH-001 to PUB-NLH-014
CONFIDENTIAL

Issued: June 19, 2026

PUB-NLH-001 Build Application - Avalon Combustion Turbine Evidentiary Update, Attachment 2, Basis of Estimate and Impact Analysis, page 3, Table 1; and Bates White Addendum Report, June 5, 2026, page 18, Paragraph (42).

The Table 1 Cost Summary shows that the subtotal base cost has increased from \$586,642,810 to \$688,971,428. This increase reflects:

- an increase in the CWP 2000 CT Plant cost from [REDACTED] to [REDACTED] which Bates White is unable to reconcile; and
- an increase in contractor indirect costs from [REDACTED] to [REDACTED].

Provide a table explaining each increase, reconciling the increases with the original amounts and include an explanation for each of the changes.

PUB-NLH-002

[illegible]

PUB-NLH-003

PUB-NLH-004

2025 Build Application - Avalon Combustion Turbine Evidentiary Update, Attachment 2, Basis of Estimate and Impact Analysis, page 10 of 20, Table 2: Potential Contract Changes.

Table 2 identifies a calculated increase of \$10,254,154 for potential contract changes to be included as a specific risk item in the model for simulation.

- (a) Is this amount included in the revised Authorized Budget as part of the Contingency and Management Reserve? If not, explain.
- (b) What amounts were included in the original Monte Carlo simulation for these potential contract change items and is the \$10,254,154 incremental to the original proposed amounts?
- (c) How does this \$10,254,154 project specific risk item relate to the estimated [REDACTED]?

PUB-NLH-005

2025 Build Application - Avalon Combustion Turbine Evidentiary Update, Attachment 2, Basis of Estimate and Impact Analysis, page 3, Table 1 and page 20.

Hydro stated that it included an allowance of [REDACTED] to increase EPCM costs. The amount included as EPCM Consultant costs in Table 1 is [REDACTED].

Please explain where the [REDACTED] allowance is included.

PUB-NLH-006

2025 Build Application - Avalon Combustion Turbine Evidentiary Update, pages 3, lines 1-5.

"As part of the assessment, Hydro reviewed other major project cost elements, including EPCM services, transformers, civil works, transmission scope, early execution activities, and detailed design. While several of these elements remain subject to ongoing procurement and design development, no material variances from the original estimate were identified at the time of the updated

analysis. Consequently, no additional adjustments were included beyond those directly associated with the CT package.”

- (a) What is the threshold amount for a material variance?
- (b) Provide a summary of any variances in the major project cost elements. Specifically address any variance in the expenditures for the EPCM contract and the relocation of Newfoundland Power’s transmission lines 38L and 39L.
- (c) Have there been any developments since Hydro’s assessment that may result in other variances?

PUB-NLH-007 Bates White Addendum Report, June 5, 2026, page 22.

“The new Contingency amount is 11.0% of the revised Base Cost estimate, compared to 11.1% of Base Cost in the Build Application. While the uncertainty captured by Contingency may remain for a range of project costs, the CT package cost is now known with high (if not exact) certainty, since this is contracted. A Contingency of 11% on Base Cost excluding the \$280 million CT contract cost would come to approximately \$45 million, rather than the \$75 million in the updated Authorized Budget Request.”

- (a) Please detail the risks and associated costs that remain outstanding for the GE contract which would support the level of contingency proposed for CWP2000.
- (b) With the award of the CT contract and the narrowing/tightening of cost and scope estimates, the uncertainty would be expected to be reduced but the proposed contingency amount has increased and the combined management reserve and contingency have increased. Please explain.

PUB-NLH-008 2025 Build Application – Avalon Combustion Turbine Evidentiary Update Attachment 2: Basis of Estimate and Impact Analysis, page 18, Table 3, 4 and 5.

- (a) Provide three new tables that show both the original spend profiles and the updated spend profiles for Escalation, IDC and Planned Budget.
- (b) Explain how the different cost profiles contribute to the overall differences in Escalation and IDC between the original and updated applications.

PUB-NLH-009 2025 Build Application, Schedule 5 Avalon Combustion Turbine Project Evidence, page 4, lines 12-17.

Operation support and administration facilities include office and meeting room space; lunchroom, first-aid facilities, washrooms, and a locker room; warehousing space for materials handling, parts and tool storage; hazardous

materials storage area; and workshop for minor operations and maintenance activities.

- (a) Do any of these facilities currently exist at the Holyrood site, either at the Thermal Generating Station or the existing Combustion Turbine? If yes, explain why these new facilities necessary.
- (b) Provide the contribution to the overall base cost for the Avalon CT project for each of these facilities.

PUB-NLH-010 2025 Build Application, Schedule 5: Avalon Combustion Turbine Project Evidence, page 5, lines 22-23.

- (a) How many spare GSU transformers (13.8 kV to 230 kV) does Hydro have in inventory, including any approved for purchase?
- (b) Will any GSU transformers (13.8 kV to 230 kV) be removed from service as a result of impending retirements of thermal assets? If yes, provide details including suitability for acting as a spare units and number of years in service.
- (c) Does Hydro require that spare GSU transformers be site specific, or does it require a minimum number of spare GSU transformers of similar specifications on a system wide basis?

PUB-NLH-011 2025 Build Application, Schedule 5: Avalon Combustion Turbine Project Evidence, page 7, lines 21-22.

Does the Avalon CT require Transmission Line TL218 to be in service in order to supply its capacity to the electricity grid?

PUB-NLH-012 Bates White Addendum Report, June 5, 2026, page 16, paragraphs 34 and 35.

Hydro noted that it may bring forward a separate capital budget application if further infrastructure or supply chain solutions are determined to be justified with respect to fuel challenges during extended operation.

Explain the impact, if any, that additional capital expenditures may have on the Avalon CT project being the least cost option.

PUB-NLH-013 Bates White Addendum Report, June 5, 2026, page 42, paragraphs 103 and 104.

“Hydro concludes the preliminary results of its reactive power study highlight that transmission and voltage constraints are key factors in evaluating expansion alternatives and reinforce the importance of considering both generation location, diversity, and system operability in long-term planning.

We agree, and while the reactive power study is not yet completed or provided in Hydro's Evidentiary Update, preliminary results seem to provide support for the Avalon CT's value in providing reactive power and voltage support for the Island Interconnected System. Hydro should provide the Board with the completed study as soon as practicable."

(a) Provide a detailed explanation of how the Avalon CT could provide benefits in support of the issues raised in relation to voltage stability and transmission line thermal overloads during a bipole outage.

(b) When will the Avalon Reactive Power Study be filed with the Board?

PUB-NLH-014

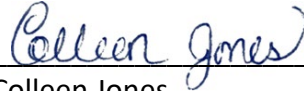
2025 Build Application – Avalon CT Evidentiary Update, Request for Additional Information, Request 7, Attachment 1, page 2 of 3, Table 3-1 and Request 8, page 2 of 2, Chart 1.

Is the data in Request 7, Table 3-1 the same dataset used to produce the distribution curve in Chart 1 of Request 8? If not, provide a table summarizing the dataset used to create Chart 1.

DATED at St. John's, Newfoundland and Labrador, this 19th day of June, 2026.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per



Colleen Jones

Assistant Board Secretary