

1 Q. **Reference: Schedule 3, Expansion Plan Update, Appendix A**

2 It is stated (Page 16) *"In recent years, Newfoundland and Labrador has seen record-setting*
3 *exploration expenditures in the mining sector and there has been activity in wind hydrogen*
4 *development projects. A renewable fuels refinery also commenced commercial operations in*
5 *2024."*

6 a) Please describe the "activity in wind hydrogen development" and how this might impact
7 the proposed minimum investment plan.

8 b) Please describe what a renewable fuels refinery would refine. Might the renewable fuel
9 produced by this facility be used in the Avalon CT, and for that matter, the Holyrood gas
10 turbine or a re-purposed Holyrood TGS?

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13 A. a) At the time of Newfoundland and Labrador Hydro's ("Hydro") 2025 Build Application
14 submission, there were a number of active proponents interested in developing the wind
15 hydrogen industry in Newfoundland and Labrador using Crown Land reserves. Since that
16 time, the Government of Newfoundland and Labrador ("Government") provided a status
17 update on the proponents in February 2026,¹ announcing that it has not extended Crown
18 Land reserves for three companies.²

19 A significantly lower level of activity in industrial growth was considered as part of Hydro's
20 recommended Minimum Investment Expansion Plan. As stated in the 2025 Build
21 Application, for the development of the Slow Decarbonization scenario in the 2024 Load
22 Forecast, Hydro relied on an alternate scenario provided by the Government which included
23 fewer wind-hydrogen projects, weaker long-term provincial government spending growth,
24 and lower oil and mineral prices, resulting in a lower level of growth in residential electricity

¹ Government of Newfoundland and Labrador, "Minister Parrott Provides Update on Wind-Hydrogen Development," February 19, 2026, <https://www.gov.nl.ca/releases/2026/minesen/0219n03/>.

² Head, Jenna, "Another setback hits N.L.'s once touted wind-to-hydrogen industry," CBC News, February 19, 2026, <https://www.cbc.ca/news/canada/newfoundland-labrador/wind-hydrogen-nl-9.7098094>.

1 sales.³ Therefore, only 10 MW of demand was attributed to new industry growth over the
2 planning horizon. In the 2025 load forecast update,⁴ both the Reference Case and Slow
3 Electrification scenarios did not include any future industrial load growth over the planning
4 horizon.

5 **b)** Please refer to the website for Braya Renewables for further information on product
6 refining.⁵ At this time, the renewable diesel product does not meet Hydro's fuel
7 specifications for the Holyrood Combustion Turbine ("CT").

8 The design basis for the turbine units as described in the 2025 Build Application indicated
9 that the Avalon CT would have "ability for fuel flexibility with options to transition to either
10 renewable diesel, natural gas, or natural gas/hydrogen blend fuels, if these fuel sources
11 become more readily available."⁶

12 The existing Holyrood CT could also be converted to use renewable fuel; however,
13 availability and cost of renewable fuels within the province remain a barrier to utilization of
14 renewable fuels by Hydro's CT fleet. Fuel considerations were discussed as part of the Issue
15 #4 Resource Options Technical Conference on October 2, 2024.⁷ As discussed in Hydro's
16 response to CA-NLH-001 of this proceeding, Holyrood TGS has exceeded its intended useful
17 life and continues to experience unpredictable reliability. Given the advanced age of the
18 existing plant, which has exceeded its intended design life, conversion of the plant is not a
19 practical alternative, and conversion of the Holyrood TGS to a gas-fired plant would
20 necessitate tear-down of the existing plant and wholesale replacement.

³ "2025 Build Application – Bay d'Espoir Unit 8 and Avalon Combustion Turbine," Newfoundland and Labrador Hydro, March 21, 2025, sch. 3, app. A, p. 18 of 97/3–6.

⁴ "2025 Island Interconnected System Load Forecast Report," Newfoundland and Labrador Hydro, November 5, 2025.

⁵ <https://brayafuels.com>.

⁶ "2025 Build Application – Bay d'Espoir Unit 8 and Avalon Combustion Turbine," Newfoundland and Labrador Hydro, March 21, 2025, sch. 5, p. 5/7–8.

⁷ Please refer to slides 23 through 28 of the "2024 Resource Adequacy Plan Technical Conference #2, Issues #4: Resource Supply Options Presentation," Newfoundland and Labrador Hydro, October 2, 2024,

<http://www.pub.nl.ca/applications/NLH2018ReliabilityAdequacy/correspondence/From%20NLH%20-%20Presentation%20-%20Technical%20Conference%20-%20-%20Issue%204%20-%20-%20Resource%20Supply%20Options%20-%202024-10-02.PDF>.