



120 Torbay Road • Prince Charles Building, Suite E210 • St. John's, Newfoundland and Labrador • A1A 2G8

2025-10-08

Newfoundland and Labrador Hydro

Shirley Walsh

E-mail: shirleywalsh@nlh.nl.ca

Newfoundland Power Inc.

Dominic Foley

E-mail: dfoley@newfoundlandpower.com

Consumer Advocate

Dennis Browne, KC

E-mail: dbrowne@bfma-law.com

Industrial Customer Group

Paul Coxworthy

E-mail: pcoxworthy@stewartmckelvey.com

Dear Madam/Sirs:

Re: Newfoundland and Labrador Hydro - 2025 Capital Budget Supplemental Application - Application for Capital Expenditures for the Purchase and Installation of Bay d'Espoir Unit 8 and Avalon Combustion Turbine - To Parties - Process Update

On September 11, 2025 Hydro filed additional information requested by the Board in relation to its application for the Purchase and Installation of Bay d'Espoir Unit 8 and the Avalon Combustion Turbine. Bates White is reviewing the information currently filed and has requested further information from Hydro. The Board expects an addendum to their June 27, 2025 report to be filed in late October-early November.

Bates White is also progressing with the next phase of its review which includes further detailed analysis and assessment of the following issues:

- Detailed cost estimates,
- Project design, specification, scope and timeline;
- Project management and risk management approaches and protocols;
- Management reserve;
- Assumed depreciable lives;
- Transmission constraints;
- Use of synchronous condensers;
- Hydrology of the Bay d'Espoir power plant, including reservoirs and inflows; and
- Fuel infrastructure and fuel burn off for the Avalon Combustion Turbine.

Bates White has partnered with two independent firms to assist with this phase of its review. Gruner AG (<https://www.gruner.ch/en>) will provide support in reviewing the proposed Bay d'Espoir Unit 8 project, while Consolidated Asset Management Services (CAMS) (<https://camstex.com/industries/>) will provide support in reviewing the proposed Avalon Combustion Turbine project. Bates White expects to file a report on this phase of work in late November.

These Bates White reports will assist the Board and the parties in assessing the proposals in the Application and will form the basis for further inquiries by the Board and the parties as the Application proceeds through the review process. Upon receipt of the Bates White reports, the Board will set a schedule for further process that will include an opportunity for parties to file requests for information and submissions, and may also include a technical conference or a series of technical conferences.

If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Ms. Jacquelyn Glynn, by email, jglynn@pub.nl.ca or by telephone 709-726-6781.

Sincerely,



Jo-Anne Galarneau
Executive Director and Board Secretary

JAG/cj

ecc Newfoundland and Labrador Hydro
NLH Regulatory, E-mail: nlhregulatory@nlh.nl.ca

Consumer Advocate
Stephen Fitzgerald, KC, E-mail: sfitzgerald@bfma-law.com
Sarah Fitzgerald, E-mail: sarahfitzgerald@bfma-law.com
Bernice Bailey, E-mail: bbailey@bfma-law.com

Newfoundland Power Inc.
NP Regulatory, E-mail: regulatory@newfoundlandpower.com
Douglas Wright, E-mail: dwright@newfoundlandpower.com

Industrial Customer Group
Glen G. Seaborn, E-mail: gseaborn@poolealthouse.ca
Denis Fleming, E-mail: dfleming@coxandpalmer.com