

1 Q. 2025 Capital Budget Application, Project 8, Appendix A, page 6 of 11, states, "...Hatch
2 recommends that the beams and slabs be refurbished to their original condition or that new
3 beams be installed directly beneath the existing beams to re-establish the original capacity."
4 Given the increase in the Level 2 assessment budget, has Hydro given any consideration to
5 eliminating the additional assessment and proceeding with Hatch's original recommendation to
6 repair or refurbish the beams?

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9 A. The original recommendation to repair or refurbish the beams carried an estimated cost of
10 \$6.9 million, which was a Class 5 estimate based on several high-level assumptions.
11 Newfoundland and Labrador Hydro ("Hydro") determined that there was residual risk associated
12 with properly planning and executing the work, both within the available outage window and
13 within the cost estimate provided by Hatch Ltd. To mitigate these risks, Hydro proposed the
14 completion of a Level 2 Condition Assessment to better define the scope of work and ultimately
15 understand if the risk cannot continue to be mitigated as discussed in Hydro's response to
16 PUB-NLH-003 of this proceeding.

17 Hydro believes that the completion of the assessment is vital to ensuring the successful planning
18 and execution of the refurbishment scope, if required, and to provide a more accurate
19 estimation of costs. In the absence of a condition assessment to define the refurbishment scope,
20 Hydro believes it would be unable to present sufficient support for the scope and budget of the
21 repair or refurbishment to meet the evidentiary requirements established by the Board of
22 Commissioners of Public Utilities for projects of this magnitude.