Q. Hydro stated the following in its July 15, 2025 reply submission:

> "Alternatively, the [condition assessment] information can help Hydro determine if the temporary workarounds in place are sufficient to enable work to continue within Pumphouse 1 for the remainder of the Bridging Period, during which time generation from Holyrood TGS is required."

a) Does this statement also apply to Pumphouse 2? If not, please explain the different responses/approaches for the two pumphouses.

b) What potential findings from the level 2 condition assessment might influence Hydro to leave the temporary workarounds in place until the end of the Bridging Period? In the response, please reconcile this with Hatch's December 14, 2022 recommendation that "the beams and slabs be refurbished to their original condition or that new beams be installed directly beneath the existing beams to re-establish the original capacity", which was repeated in the Holyrood Thermal Generating Station Capital Plan Refresh report completed by Hatch in March 2025 ("HTGS Capital Plan Refresh") and referenced in Hydro's 2026 Capital Budget Application.

A. **a)** This statement applies to both Pumphouse 1 and Pumphouse 2.

b) Based on the information available to Newfoundland and Labrador Hydro ("Hydro"), including the referenced findings by Hatch, Hydro believes that remediation of the cooling water sumps is required to ensure safe, reliable operation of the Holyrood Thermal Generating Station ("Holyrood TGS"). However, Hydro recognizes the need to carefully consider its capital investments to ensure it is acting in accordance with its mandate and in the best interest of ratepayers; this is particularly important given the relatively short remaining life for the generating assets at the Holyrood TGS. Therefore, while Hydro believes, based on the evidence available, that remediation will be required, Hydro cannot make a fully informed decision without completion of the

condition assessment. Such a decision must be made in consideration of the condition of the asset, the risk associated with unmitigated continued operation, and the identified options and costs associated with remediation of the cooling water sumps, all of which would be outcomes of the condition assessment. Following the condition assessment, Hydro will review the findings, risks, options identified, and their costs to make a fully informed decision with regards to remediation, including whether remediation can be completed within this year to avoid de-watering again,[1] or whether continuation of operation without remediation and with the identified workarounds in place would be prudent and consistent with its legislated mandate.

[1] Hydro would only proceed with remediation this year if the remediation scope can be completed as a supplemental less than $750 thousand, or as an In-Service Failure. More substantial remediation would require approval by the Board. Please refer to Hydro's response to PUB-NLH-009 of this proceeding for further information.