

2025-08-08

Newfoundland and Labrador Hydro

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Dear Madam/Sirs:

Re: Newfoundland and Labrador Hydro - Application for Capital Expenditures for the Life Extension of Bay d'Espoir Unit 7 - Request for Additional Information

The Application identifies three alternatives to address the life extension of Unit 7:

- Deferral;
- Like-for-Like Refurbishment/Replacement; and
- Cluster Life Extension with Additional Required Work.

The Board requests that Hydro provide analysis of a fourth alternative: the uprate of Unit 7 as discussed in the Hatch Uprate Report.¹ The analysis of this fourth alternative should include:

1. Cost estimates, including capital cost and cost per MW and MWhr for the additional capacity and energy;
2. Quantification of the impact of the increased capacity on the available Bay d'Espoir hydrologic capacity, including during efficient operation, in support of system peak and when called upon during an extended outage of the Labrador Island Link;
3. Comparison of efficiency over the operating range of Unit 7 for the status quo, like for like replacement and the uprate alternatives. The comparison should explain the efficiency relationship that exists between the alternatives as shown in Figure 3-3 of the Hatch

¹ 2024 Resource Adequacy Plan, Appendix C, Attachment 2, Hatch Uprate Report, page 14 of 17.

Update Report by discussing the most efficient operating point for each alternative, the volume of water used at the most efficient operating point and at maximum power output, and how each alternative performs relative to the other alternatives at power outputs below and above its most efficient operating point; and

4. Quantification of the impact of the increased energy and capacity available from the like for like replacement and the uprate alternatives on the Bay d’Espoir operating regime for all units, including any significant difference compared to the operating regime for the status quo alternative. Also, explain the impacts of a new Unit 8 on the Bay d’Espoir operating regime for all 7 existing units.

In Hydro’s application relating to capital expenditures for Unit 8, Hydro advised of planned consultations with interested groups including Miawpukek First Nation. The Board requires Hydro to advise whether Miawpukek First Nation or any other indigenous community has asserted that Hydro has a constitutional obligation to consult and accommodate its interests in relation to this application and if so, please identify the indigenous community and provide details of the scope of work and timelines needed to discharge any such duty.

The Board advises that the following document from the Reliability and Resource Adequacy Study Review will be placed on the record of this Application.

- *Bay d’Espoir Unit 7 Uprate Report* completed by Hatch.²

The Board has also identified the following documents that have been referenced as part of the Life Extension Application and the Reliability and Resource Adequacy Study Review that should be filed by Hydro as part of the record for this Application. These include:

- From the Life Extension Application:
 - Schedule 1, Attachment 1, Basis of Estimate, page 24 of 225 - the Excel document *BDE Unit 7 Life Extension Estimate* containing estimated costs for the project.
 - Schedule 1, page 17, lines 3-6 - Any studies and analysis undertaken by Hydro or its consultants in relation to the runner capacity and efficiency over the operating range of Unit 7.
- From the 2024 Resource Adequacy Plan, Appendix C, Attachment 2, Hatch Uprate Report:
 - Page 7 of 17 - American Hydro, *Hydraulic Performance Review for Bay d’Espoir Unit 7 Runner Upgrade*, 2020-04-21.
 - Page 7 of 17 - GE Hydro Report (2004).
 - Page 11 of 17 - Any studies and analysis undertaken by Hatch or any other consultants in relation to the economics of a larger new unit, i.e. BDE #8, and the value to Hydro of a capacity increase to Unit 7.
- Any other documents on file with Hydro related to the potential uprate of Bay d’Espoir Unit 7.

² Hatch Uprate Report, Document No. H371822-0000-2A1-066-0002.

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

Sincerely,



Jo-Anne Galarneau
Executive Director and Board Secretary

JAG/cj

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