Q. **Reference: Bay d'Espoir Unit 7 Additional Analysis Report, September 23, 2025, page 4, lines 3-4.**

"As neither Unit 7 nor Unit 8 provides any additional energy to the Bay d'Espoir system, a cost per MWh cannot be produced."

Explain how a refurbished Unit 7 runner with a more efficient design would not provide any additional energy to the Bay d'Espoir system.

A. Refurbishment of Bay d'Espoir Unit 7 includes the replacement of the runner. The new runner will be more efficient and will result in more energy being produced from the Bay d'Espoir system. The additional energy could amount to approximately 1% of Unit 7's generation, which can be accommodated with the existing capacity of 154 MW. Installing a runner with 174 MW of capacity will not increase energy production over the present refurbishment plans. The uprated runner efficiency will not be higher than a new 154 MW runner, and the system's water resources can be fully utilized with the existing generation capacity. Therefore, a cost per MWh cannot be produced as the uprated runner will not produce any more energy than a new 154 MW runner.

As noted in the Bay d'Espoir Unit 7 Additional Analysis Report,[1] the uprated design is less efficient in the normal operating zone. This will most likely result in slightly lower energy generation for the uprated runner than the planned 154 MW replacement.

[1] "Bay d'Espoir Unit 7 Additional Analysis Report," Newfoundland and Labrador Hydro, rev. September 23, 2025 (originally filed September 22, 2025, sec. 2.3, p. 7/1–5.