

1 Q. **Reference: Schedule 5: 2025 Capital Expenditures Overview**

2 Provide a table for the projects and programs listed in Appendix A that were budgeted under
3 \$750,000 and are now forecast to exceed \$750,000. Include in the table the Project/Program
4 title, the original budget amount and the forecast expenditure for each project or program.

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7 A. In 2025, Newfoundland and Labrador Hydro (“Hydro”) is executing 88 projects and programs
8 that were individually budgeted under \$750,000; 10 of these are currently forecast to exceed
9 \$750,000.

10 At the time of filing its 2026 Capital Budget Application (“CBA”), Hydro identified five programs
11 and projects that were individually budgeted under \$750,000 and are forecast to exceed
12 \$750,000, as summarized in Table 1. Variance explanations were provided for each of these in
13 the 2025 Capital Expenditures Overview;¹ the section reference for each variance explanation is
14 provided in the table.

**Table 1: 2025 Capital Expenditures Overview – Forecasted Variances of Projects and Programs
Budgeted Under \$750,000**

Project/Program Title	Total Original Budget (\$000)	Total Expenditures and Forecast (\$000)	2026 CBA Variance Explanation Reference
Perform Major Inspection Synchronous Condenser 2 (2025–2026) Wabush ²	595.6	1,271.8	Schedule 5, Section 1.1.11, Page 10
Install Breaker Failure Protection (2023– 2024) Sunnyside	289.7	948.6	Schedule 5, Section 1.1.12, Page 10
Replace Intermediate Fuel Storage Tanks (2023–2024) Nain	721.1	1,261.7	Schedule 5, Section 1.1.14, Page 12
Water System Condition Assessment and Upgrades (2023–2024) - Bay d'Espoir	665.9	1,438.4 ³	Schedule 5, Section 1.2.4, Page 16
Upgrade SCADA Network (2024)	402.3	841.9	Schedule 5, Section 1.2.5, Page 17

¹ “2026 Capital Budget Application”, Newfoundland and Labrador Hydro, July 15, 2025, Sch 5.

² A budget update has been put forward for approval for this 2025–2026 program as part of the 2026 CBA. Please refer to “2026 Capital Budget Application,” Sch 5, sec.2.8, p.30.

³ This expenditures and forecast was reported as 1,328.2 in the 2025 Capital Expenditures Overview, but has since been updated to 1,438.4.

1 Since the preparation of the 2025 Capital Expenditures Overview, Hydro identified the following
2 five additional projects and programs that were individually budgeted under \$750,000 and are
3 now expected to exceed \$750,000, as summarized in Table 2. Variance explanations are
4 provided in the table.

Table 2: Additional Forecasted Variances of Projects and Programs Budgeted Under \$750,000⁴

Project/Program Title	Total Original Budget (\$000)	Total Expenditures and Forecast (\$000)	Variance Explanation
Inspect Fuel Tanks – Hardwoods Gas Turbines	692.9	1,327.3	Forecast expenditures for refurbishment to address inspection findings were higher than the budget allowance for refurbishment.
Replace Annunciator – Phase 2 (2024–2025) – Bay d’Espoir	481.6	994.7	More equipment is required to be installed than originally estimated, as a result of a change in engineering design to ensure adequate reliability and provide capacity for annunciation of future planned controls systems upgrades.
Inspect Fuel Tanks (2025) – Holyrood	608.0	767.3	Forecast expenditures for refurbishment to address inspection findings were higher than the budget allowance for refurbishment.
Gas Turbine In-Service Failures (2025)	500.0	1,731.8	Forecast expenditures to address in-service failures were higher than the budget allowance.
Inspect Fuel Tanks (2025) – Stephenville	676.9	976.9	The tendered pricing for inspection of the fuel storage tanks is higher than the budget estimate.

⁴ Forecast as of August 31, 2025.