

April 2, 2026

Board of Commissioners
of Public Utilities
P.O. Box 21040
120 Torbay Road
St. John's, NL A1A 5B2

Attention: Mike McNiven
Board Secretary

Dear Mr. McNiven:

Re: Newfoundland and Labrador Hydro (“Hydro”) – Application for Approval of Capital Expenditures for Section Replacement and Weld Refurbishment for Bay d’Espoir Hydroelectric Generating Facility Penstock 3 (the “Application”) – Early Execution Expenditures - Comments of Newfoundland Power Inc. (“Newfoundland Power”)

Newfoundland Power has reviewed Hydro’s Application, filed on March 13, 2026, seeking approval of capital expenditures related to the section replacement and weld refurbishment of Penstock 3 at the Bay d’Espoir Hydroelectric Generating Facility, including approval of Early Execution expenditures prior to April 20, 2026.

Newfoundland Power acknowledges the importance of Bay d’Espoir to the reliable operation of the Island Interconnected System and notes that Penstock 3 supplies water to Units 5 and 6, representing approximately 153 MW of generation. Continued restrictions on the operation of these units increase system reliability risk and reduce operational flexibility, particularly during peak demand periods.¹

Newfoundland Power understands that the Early Execution activities are limited in scope, are required to maintain the overall project schedule, and are intended to mitigate the risk of future cost increases or delays. Newfoundland Power also notes that Hydro’s Application is not requesting recovery of Early Execution expenditures from customers prior to Board approval of the overall project.²

Given the critical role of Bay d’Espoir in serving Newfoundland Power’s customers and the prudence of timely action to address identified asset condition risks, Newfoundland Power supports approval of the Early Execution component of Hydro’s Application, subject to the condition that recovery of such costs from customers is contingent upon approval of the full project by the Board.

¹ Application, Schedule 1: Application Overview, page 3 line 24 to page 4 line 10.

² Application, page 3 paragraph 13 and page 4 paragraph 14.

Newfoundland Power Inc.

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We trust this is in order. If you have any questions regarding the enclosed, please contact the undersigned.

Yours truly,

A handwritten signature in blue ink, appearing to read 'D. Foley', with a large, sweeping flourish at the end.

Dominic Foley
Legal Counsel

Enclosures

ec. Shirley A. Walsh
Newfoundland and Labrador Hydro

Paul Coxworthy
Stewart McKelvey

Glen Seaborn
Pool Althouse

Adrienne Ding
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