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HAND DELIVERED

September 20, 2016

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

Attention: G. Cheryl Blundon
Director of Corporate Services
and Board Secretary

Ladies and Gentlemen:

Re: An Application by Newfoundland and Labrador Hydro pursuant to Subsection 41(3) of the Act for the Approval of the Combustion Inspection and Overhaul of the Combustion Turbine located in Holyrood

By correspondence dated September 19, 2016, the Board set today as the deadline for comments on the above-captioned application (the "Application"). These are Newfoundland Power's comments.

The Application proposes estimated capital expenditures of \$4,738,300 for a combustor inspection and overhaul of Hydro's 123.5 MW combustion turbine at Holyrood (the "Holyrood CT").

The Application indicates that the original equipment manufacturer ("OEM") recommends a combustor inspection and overhaul of the Holyrood CT when the total equivalent starts on the unit reaches 400, and that Hydro anticipates this maintenance milestone to be reached in February 2017.

Performing the work in February 2017 would result in the Holyrood CT being unavailable to the system for approximately 4 weeks during the critical winter period. Waiting until the end of the 2016/2017 winter period would likely result in operation of the unit past the OEM recommended maintenance schedule. The Application proposes that the work commence in October 2016, allowing the Holyrood CT to return to service in November.

Due to the importance of the Holyrood CT to the Island Interconnected system, particularly during the winter season, Newfoundland Power agrees that the combustor inspection and overhaul should be completed as proposed in the Application.

Newfoundland Power Inc.

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If you have any questions, please contact the undersigned at your convenience.

Yours very truly,



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