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October 3, 2016

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Via Electronic Mail and Courier

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

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

Dear Ms. Blundon:

**Re: The Board's Investigation and Hearing into Supply Issues and Power Outages on
the Island Interconnection System — Winter Readiness Planning Report**

As counsel for the Island Industrial Customer Group, we have had the opportunity to review the above-noted Winter Readiness Planning Report, as filed with the Board on September 30, 2016. We have noted that Hydro at pages 21 – 22 of the Report, in respect of "Risks and Risk Mitigation" has reported to the Board that an extensive inspection and testing program is currently underway in respect of Bay D'Espoir Penstock 1, servicing both Units 1 and 2. Hydro states that there is a strong possibility that an extensive refurbishment may be required, and that further plans on this effort will be known in early October.

Hydro in its report does not expressly identify its intended further reporting to the Board in respect of this issue. While we do not intend to suggest that Hydro does not have an intention to provide a follow-up report to the Board, we would respectfully suggest that the Board consider establishing a timeline for Hydro's further reporting in respect of this risk and measures taken to mitigate same, prior to December 1, 2016.

We trust this is in order.

Yours truly,

Stewart McKelvey

Paul L. Coxworthy

PLC/kmcd

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- c. Tracey L. Pennell, Senior Counsel, Regulatory, Newfoundland and Labrador Hydro
Gerard Hayes, Newfoundland Power
Dean A. Porter, Poole, Althouse
Thomas J. Johnson, Q.C., Consumer Advocate
Thomas J. O'Reilly Q.C., Cox & Palmer
Sheryl Nisenbaum, Praxair Canada Inc.
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Roberta Frampton Benefiel, Grand Riverkeeper Labrador