

1 Q. **Reference: Application, Capital Programs and Projects, Wood Pole Line Management (2026),**
2 **page 14**

3 It is indicated (Table 6) that Risk Mitigated per \$1 million is 1.9 for this program. If the approved
4 budget were to be set at \$5 million:

5 a) How much would the risk mitigated per \$1 million be affected

6 b) How would Hydro adjust its scope of work in order to optimize the use of a \$5 million
7 budget?

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10 A. Newfoundland and Labrador Hydro (“Hydro”) believes that managing this work under a ‘budget
11 envelope’ approach may put assets and system reliability at risk and it would not be prudent to
12 proceed in that manner. Proactive refurbishment of Hydro’s wood pole transmission lines is
13 required to support Hydro’s legislated mandate to ensure the delivery of safe, reliable, least-
14 cost electricity in an environmentally responsible manner. This program is the least-cost
15 execution strategy, as investments made in regular inspection, treatment, and early detection of
16 issues extend the useful life of the lines, support the deferral of line reconstruction, and prevent
17 forced outages.