

1 Q. **Reference Application, Capital Programs and Projects, Upgrade Distribution System (2026-**
2 **2027) – Wiltondale**

3 It is stated (page 2) *“This project is justified based on the operational need to*
4 *fulfill Newfoundland Power’s request for a new delivery point. Upgrades of the*
5 *existing distribution system infrastructure are essential to enable the supply of*
6 *the requested energy to Newfoundland Power.”*

7 **a)** What is the cost of this project per customer served by the distribution system?

8 **b)** How will the cost for this project be treated by Hydro and Newfoundland Power in
9 their cost of service studies and how will the costs be recovered from customers?
10 Will Newfoundland Power be funding this project and, if so, in what way?

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13 A. **a)** This project is undertaken solely to fulfill Newfoundland Power Inc.’s (“Newfoundland
14 Power”) request for a new delivery point. Newfoundland Power’s 2026 Capital Budget
15 Application notes that the distribution feeder serves approximately 1,490 customers,¹ but
16 only a portion of the line is being transferred to Wiltondale. Therefore, the exact number of
17 customers impacted by this specific upgrade is unclear, and the question should be referred
18 to Newfoundland Power for confirmation.

19 **b)** The cost of this project will be specifically assigned to Newfoundland Power in
20 Newfoundland and Labrador Hydro’s Cost of Service Study. The cost of the project, including
21 capital cost recovery and operating expenses, will be recovered from Newfoundland Power
22 through a specifically assigned charge included in the wholesale rate.

¹ “2026 Capital Budget Application,” Newfoundland Power Inc., June 27, 2025, sch. B, p. 7.