1 Q. **Reference: 2026 Capital Budget Application, Project 14, Perform Software Upgrades and**
2   **Minor Enhancements – Information Technology, page 3.**

3   For ad hoc requests, explain the criteria used to determine if an enhancement request is
4   approved to proceed. Provide examples of past ad hoc requests and the rationale behind their
5   selection.

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8 A. Newfoundland and Labrador Hydro ("Hydro") considers ad hoc enhancement requests outside
9   the regular capital planning cycle to address emerging business needs, regulatory compliance, or
10   operational efficiency improvements. The criteria used to assess such requests include:

11   ● **Alignment with Corporate Objectives** – The request must support Hydro's strategic
12   priorities such as reliability, operational efficiency, legal and regulatory compliance,
13   cybersecurity, or customer service.

14   ● **Risk Mitigation** – Enhancements that reduce operational, cybersecurity, or legal and
15   regulatory compliance risks are prioritized.

16   ● **Cost and Resource Feasibility** – The scope of work must be achievable within available
17   budget and resource capacity without delaying higher-priority initiatives.

18   ● **Business Value** – Requests should provide operational efficiency gains, reduce manual
19   effort, or enhance reporting and decision-making.

20   ● **Urgency and Timing** – Items requiring timely response which cannot be incorporated
21   into a future capital planning cycle (e.g. cybersecurity requirements, vendor support
22   deadlines) are considered for expedited approval.

23   ● **Technical Fit** – Requests are assessed to ensure compatibility with existing systems and
24   long-term Information Technology architecture.

1   **Examples of Past Ad Hoc Requests and Rationale**

2   • **Cybersecurity Patch Deployment (2024):** An urgent vendor-issued patch addressed a
3   critical vulnerability in enterprise software. This request was approved as it directly
4   mitigated security risk and ensured compliance with industry standards.

5   • **Enhancement to Asset Management Reporting (2023):** Operations requested
6   additional reporting functionality in the Enterprise Resource Planning system to improve
7   tracking of maintenance schedules. The request was approved as it enabled more
8   proactive maintenance planning, reducing downtime risk.

9   • **User Productivity Enhancement – Single Sign-On (SSO) Adjustment (2022):** A minor
10   enhancement to simplify login across several applications was requested. The request
11   was approved as it reduced helpdesk calls related to password resets and improved
12   overall user experience.

13   **Summary**

14   In summary, ad hoc enhancements are only approved when they provide clear business value,
15   address urgent risks, or ensure legal and regulatory compliance. The approval process is guided
16   by criteria that balance strategic alignment, cost effectiveness, and operational benefits.