

1 Q. **Reference: Schedule 7: Capital Programs and Projects, Program 4: Replace Heavy-Duty Vehicles**  
2 **(2026 - 2028)**

3 Page 8, lines 4-6. The program includes a budget to address in-service failures for fleet vehicles.

4 a) How much of the proposed budget is allocated to address in-service failures for heavy-  
5 duty fleet vehicles?

6 b) Describe the types of in-service failures that would be addressed with this portion of the  
7 budget.

8 c) How were these in-service failures for heavy-duty fleet vehicles dealt with in capital  
9 budgets from 2021 to 2025?

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12 A. a) There is \$100,000 allocated within this budget to address in-service failures for heavy-duty  
13 fleet vehicles.

14 b) In-service failures are put in place to address premature failures of heavy-duty vehicles  
15 when mileage and/or age of the asset have not reached replacement criteria and the repair  
16 is not covered under the original equipment manufacturer warranty. These types of in-  
17 service failures include items that would disable the unit but are not considered regular  
18 maintenance or replacement items, including:

- 19 • Repairs to major powertrain components, including engines, transmissions, axles,  
20 differentials and undercarriage components; and
- 21 • Major repairs or component replacement associated with mounted aerial equipment,  
22 including hydraulic levelling components, large hydraulic cylinders, rotation bearings  
23 and motors, and boom replacement.

24 c) 2025 was the first time that heavy-duty vehicle replacement program included a dedicated  
25 in-service failures budget. Major component failures would have been either completed  
26 without the need for an application as their costs were less than the legislated threshold

1 amount,<sup>1</sup> utilized the operating budget if appropriate, or, if a vehicle was close to  
2 retirement and analysis showed the least cost option would be to retire, the vehicle would  
3 have been retired without repair.

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<sup>1</sup>Historically, this amount was \$50,000, until it was increased to \$750,000 in 2023.