

Q. Reference: PUB-NLH-015, Issue Topic: Operating Efficiencies.

Please provide vegetation management costs, separately for both operating and capital, by year from 2019 to 2027 test year, as well as the 2019 test year.

A. Please refer to Table 1 for a breakdown of vegetation management costs from the 2019 Test Year through the 2027 Test Year.

Table 1: Vegetation Management Costs

2019TY	2019A	2020A	2021A	2022A	2023A	2024A	2025A	2026F	2027TY
2,962.1	3,260.6	3,356.0	3,293.0	3,551.2	3,124.2	2,796.1	3,951.3	3,531.2	3,536.2

The request sought both operating and capital costs associated with vegetation management. Newfoundland and Labrador Hydro does not capitalize routine vegetation management or ongoing vegetation maintenance activities; therefore, the operating costs provided relate solely to these activities. Vegetation-related activities that are undertaken as part of a capital project and meet the applicable capitalization criteria are recorded as part of the cost of the underlying asset rather than as vegetation management expense. As a result, no separate capital vegetation management amount has been provided.