Office of the Consumer Advocate

323 Duckworth St.
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August 27, 2026

Via Email

Board of Commissioners of Public Utilities
P.O. Box 21040
120 Torbay Road
St. John's, NL A1A 5B2

Attention: Mike McNiven (Board Secretary)

Re: Newfoundland Hydro's 2027 Capital Budget Application – CA Requests for Information

Please find enclosed the Consumer Advocate's requests for information CA-NLH-001 to CA-NLH-086 in relation to Newfoundland Hydro's 2027 Capital Budget Application.

Should you have any questions, please contact the undersigned.

Yours truly,

CONSUMER ADVOCATE

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Paul L. Coxworthy (Stewart McKelvey)
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IN THE MATTER OF the *Electrical Power Control Act, 1994, SNL 1994, Chapter E-5.1 ("EPCA")* and the *Public Utilities Act, RSNL 1990, Chapter P-47 ("Act"*), and regulations thereunder; and

IN THE MATTER OF an application by Newfoundland and Labrador Hydro ("Hydro") for approval of: (i) its capital budget for 2027, pursuant to Section 41(1) of the *Act*, (ii) its proposed capital purchases and construction projects for 2027 in excess of $750,000, pursuant to Section 41(3)(a) of the *Act,* (iii) contributions by certain Customers for contributions towards the cost of improvements to certain property, pursuant to Section 41(5) of the *Act*, and (iv) for an Order, pursuant to Section 78 of the *Act,* fixing and determining its average rate base for 2025.

CONSUMER ADVOCATE
REQUESTS FOR INFORMATION
CA-NLH-001 to CA-NLH-086

Issued: August 31, 2026

General and Data Requests

CA-NLH-001 (Reference Application) Please provide a table identifying each project/program in the 2027 capital budget, its cost and the customers that are required to pay for the project; i.e., Island Interconnected, Labrador Interconnected and Rural/Isolated. In cases when more than one customer group is required to pay for a project/program, please identify the share of the cost paid by each.

CA-NLH-002 (Reference Application) With respect to alternatives considered in the Application:

a) What criteria has Hydro used to determine if an alternative is relevant? Are environmental impacts one such criterion?
b) How has Hydro incorporated future trends in its assessments? Specifically, has Hydro considered sensitivity studies relating to shorter asset lifespans in the event that new environmentally sensitive options become available in, for example, the next 10 years?

CA-NLH-003 (Reference Application) How did Hydro address the risk of an asset becoming stranded owing to new technology, new environmental regulations such as decarbonization, distributed generation, rate design, etc, or owing to a significant rate increase resulting from the discontinuation of the government's rate mitigation plan, the Resource Adequacy Plan and Newfoundland Power's capital plans?

CA-NLH-004 (Reference Board's 2026 – 29 Activity Plan dated March 31, 2026) The Board indicates in Objective 2 that "*By March 31, 2028, the Board will have updated the utility capital budget filing guidelines …*". Please provide an update with respect to finalizing the Provisional CBA Guidelines issued on December 20, 2021.

CA-NLH-005 (Reference Application) In the Provisional Guidelines it is stated (pages 16 and 17 of 18) with respect to the assessment of alternatives "*Projects and programs shall be evaluated for risk mitigation in the following categories: 1) Reliability 2) Safety 3) Environment. Risk mitigation shall be calculated as the difference in risk before and after the proposed alternatives were implemented. The calculation of risk shall conform to an internationally recognized standard for calculating risk*." It is understood that Hydro is unable to quantify 1) the risk mitigation value provided by its asset management program (i.e., the difference between baseline risk and residual risk) and 2) the reliability improvement resulting from the asset management program used to develop the 2027 CBA. When does Hydro expect to be in a position to do so?

CA-NLH-006 (Reference Application) What projects and programs are included in the 2027 CBA that reduce customer reliance on the grid?

CA-NLH-007 (Reference Application, para. 15) It is stated "*As noted above, the assets solely serve the indicated customer, and the costs allocated to those assets will be specifically assigned for recovery from each customer*." Does this policy also

apply to generators? In the 2027 CBA, has Hydro identified capital expenditures for upgrading connection facilities for private generators?

CA-NLH-008 (Reference Application) Please provide Hydro's number of customers, customer energy consumption and energy consumption per customer by customer class for 2021, 2022, 2023, 2024 and 2025, and the forecasts for 2026 and each of the next 5 years, in total and by service area. Also, please provide a table showing the same information on a monthly basis for the period July 2022 to July 2026.

CA-NLH-009 (Reference Application) With respect to Isolated Systems, please provide an update on all studies being undertaken to connect Isolated Communities to the grid, or alternatively, replace diesel gensets with more environmentally-friendly alternatives.

CA-NLH-010 (Reference Application) Please provide a table listing all programs/projects for which proposed 2027 expenditures are based on historical averages and giving the proposed expenditure for each.

CA-NLH-011 (Reference Application) For the IIS please provide, and indicate sources for, the following:

a) The annual Marginal Cost Projection to 2045 in the same format as given in CA-NLH-030 (Attachment 1) from Hydro's 2026 CBA
b) The monthly all-in Marginal Cost of Energy/Reserve and G&T Capacity expressed in terms of dollars per MWh for January 2025 to December 2027F in the same format as given in Hydro's September 2024 *Application for Adjustment to Wholesale Utility Rate*, Schedule 1, Attachment 1, Table 6.

Capital Budget Overview

CA-NLH-012 (Reference Application, 2027 Capital Budget Overview, page 1) It is stated "*Hydro conducted a digital engagement process where it asked customers to share their thoughts on the costs and reliability of the province's electrical grid*." To what extent has Hydro engaged stakeholders and customers to inform its 2027 capital budget?

CA-NLH-013 (Reference Application, 2027 Capital Budget Overview, page 2) It is stated "*Increased capital expenditures in recent years primarily reflects ongoing inflation as well as increased renewal-driven expenditures…*" Does Hydro expect that its unit costs of labour, material and equipment will increase with the general rate of inflation (e.g., GDP deflator) in 2027 and to 2031, or at a significantly different rate?

CA-NLH-014 (Reference Application, Schedule 1, page 3, Table 1; Application, paragraph 3) Table 1 identifies 2027 capital expenditures of $156.4 million in this Application, $175.3 million excluding Major Projects, $370.3 million for Major Projects, and $545.6 million in total. Paragraph 3 states that the amount for which approval is sought in this Application is $156,355,300.

a) Please provide, in native Excel format, a table of each project or program for

which either total project or program cost exceeds $750,000 or 2027 expenditure is at least $750,000, including this Application, supplemental applications (approved, pending, or anticipated), and Major Projects. Include: name; 2027 expenditure; total cost; AACE estimate class; assumed in-service date; approval status and Board Order, if any; and the proceeding in which approval has been or will be sought.

b) Please reconcile the $545.6 million of 2027 expenditures in Table 1 to the $532 million of 2027 Test Year regulated capital in Hydro's 2026 General Rate Application, Volume I, Chart 2-8. Separately, bridge 2027 opening work in progress to the $619.4 million year-end balance in Schedule D-II, showing expenditures, interest during construction, transfers to plant in service, and other adjustments.

c) Please confirm that no approval is sought in this proceeding for a Table 1 amount outside the $156,355,300. For each such amount, identify the applicable approval, pending proceeding, or expected filing date.

CA-NLH-015 (Reference Application, Schedule 1, page 3, Table 1, footnotes 16, 18 and 22–23) Footnote 16 states that approval of Refurbish Intake 4 – Bay d'Espoir ($3.1 million) "*is required in advance of approval of the 2027 CBA*." Jean Lake Terminal Station ($2.8 million) and Interconnection and Integration of the Nain Wind Micro-Grid System ($0.2 million) are identified as supplemental applications to be filed in 2026. TL210 Modification – New Found Gold ($3.9 million) is identified as currently before the Board, with a contribution in aid of construction of $2.9 million.

a) For Intake 4, Jean Lake, and Nain Wind, please provide the date on which the supplemental application was filed or, if it has not been filed, the date on which Hydro now expects to file it. If Hydro does not expect a filing before the Board issues its Order on this Application, please so state.

b) For Intake 4, please explain the legal or procedural basis for requiring approval before the 2027 CBA Order; identify any overlapping work or cost; and state the treatment of the $3.1 million if the supplemental application is delayed or denied.

c) With respect to Jean Lake, please provide the investment classification, the load forecast and planning criteria relied upon, the alternatives considered, and the reason the project is not included in the $0.4 million of System Growth proposed in this Application.

d) For TL210 Modification – New Found Gold, please provide the current status and identify the party responsible for the approximately $1.0 million difference between the $2.9 million contribution and the $3.9 million 2027 expenditure.

CA-NLH-016 (Reference Application, Schedule 2, page 2 and Appendix A; Board correspondence dated July 29 and August 3, 2026; Hydro's response dated July 31, 2026) The Board denied Hydro's request that yearly Major Project cash flows be held in confidence and directed publication of the unredacted Application.

a) Please provide Schedule 2, Appendix A in native Excel format, including annual expenditures through 2031, total cost, current AACE estimate class, cost components, and assumed in-service date for each Major Project. Identify

changes since the Application was filed.

b) Please confirm that the public version is complete. If any information remains redacted, identify it and the Board direction authorizing the redaction.

c) Please reconcile the Appendix A total of $3,300,947,700 to the $3.10 billion stated on Schedule 2, page 2, including the $196,284,400 of remaining 2026 expenditure. Confirm or correct Unit 8's 2031 expenditure of $154,574,500.

CA-NLH-017

(Reference Application, Schedule 1, page 26, section 5.3, footnote 54; Schedule 5, Appendix A) Hydro states: "*Hydro's analysis has determined that its average variance is 1.4%, with a standard deviation of approximately +/-60%. Therefore, Hydro's expected estimated accuracy range is approximately +61%/-59%.*" Footnote 54 states: "*This excludes projects and programs that have a modified scope or cancelled scope, scope of work associated with Hydro's In-Service Failure programs, and supplemental projects.*"

a) Please provide, in native Excel format, the observation-level dataset and formulas supporting the analysis, including project, estimate, actual or forecast cost, sign convention, variance, and included or excluded status with reason. Reproduce the results with the excluded populations included.

CA-NLH-018

(Reference Application, Schedule 1, page 3, Table 1; Schedule 2) The capital budget proposed in this Application and Major Project expenditures of $370.3 million are both scheduled for execution in 2027.

a) Please provide actual or forecast internal full-time-equivalent and contractor hours for 2022–2026 and the 2027 resource plan, by quarter, for this Application, Major Projects, and other supplemental projects. Identify shared trades, engineering, procurement, and project-control constraints.

b) Please provide the integrated 2027 resource-loading schedule, identify each project at risk from a shared constraint, and state the mitigation and revised in-service date if Major Projects receive priority.

CA-NLH-019

(Reference Application, Schedule 1, page 10; Schedule 2, page 2, footnote 7) Hydro states that the five-year capital plan "*excludes any future application by Hydro for the long-term supply for Southern Labrador,*" and that Hydro is "*reviewing, studying, and implementing ways to ensure that Charlottetown, Pinsent's Arm, and the other communities in the region receive safe, reliable service.*" Footnote 7 refers to Hydro's correspondence of June 25, 2025 in the 2021 supplemental application for long-term supply for Southern Labrador.

a) Please file that June 25, 2025 correspondence in this proceeding or, if it has been superseded, the current document.

b) Please identify the communities Hydro treats as "*the region,*" the date on which Hydro now expects to file the long-term supply application, and the capital-cost range, including AACE estimate class, that Hydro is using for planning purposes.

c) Please provide, in native Excel format, a table of every isolated-diesel project or program in this Application and the 2027–2031 plan, including the Cartwright, Rigolet, Nain, diesel-renewal, genset-replacement, and in-service-failure items. Include project, community, region, 2027 expenditure, total cost, and whether the cost remains required under Hydro's current long-

term supply schedule; identify any avoidable or stranded amount and reconcile the table to the five-year plan.

CA-NLH-020 (Reference Application, Schedule 1, pages 6–7; Board correspondence dated May 23, 2025 engaging EA Technology Ltd.) Hydro states that an Asset Management Assessment was completed by the Board's consultant, EA Technology Ltd., in 2026; that a common asset-management system "*can take up to a decade to implement*"; that an updated Asset Management Policy is "*currently under executive review*"; and that, for some programs or projects, asset data required by the Guidelines, including asset condition, remaining life, or historical trending, "*may not be available.*"

a) Please file in this proceeding the EA Technology report; Hydro's written response listing each recommendation as accepted, rejected, or deferred, with the date; and the Asset Management Policy, or the date on which it will be issued.
b) Please list each 2027 project or program for which Hydro cannot produce Guideline-required asset condition, remaining life, or historical trending. For each, please identify the missing field and the year in which Hydro expects to have it.
c) Please provide the target in-service date, implementation milestones, and forecast cost of the common asset-management system. Explain how Hydro will meet the Provisional Guidelines until the required data are available.

CA-NLH-021 (Reference Application, Schedule 1, page 37, footnote 69; Schedule 1, Appendix G) Footnote 69 states: "*Hydro is unable to provide a prioritization of projects and programs by reliability improvement per dollar spent.*" Appendix G assigns Refurbish MD-1 (2027–2030) – Ebbegunbaeg a risk-mitigated-per-$1 million score of 0.9. Telecommunications In-Service Failures (2027) is scored 101.0. Perform Minor Telecommunications Enhancements (2027) is scored 76.4.

a) Please confirm that footnote 69 remains Hydro's position and explain what decision information is unavailable as a result.
b) Please provide the inputs and calculation for the three scores stated above.
c) Please explain whether scores are comparable across safety, reliability, environmental, and business-risk consequences and across programs of different purpose and materiality. Identify any normalization or qualitative override.
d) Please provide Appendix G in native Excel format and identify the decision rule used to select or defer 2027 work when score, consequence, and expenditure rank differently.

CA-NLH-022 (Reference Application, Schedule 1, page 26, section 5.3; Order No. P.U. 2(2026)) Hydro quotes the Board's expectation that Hydro "*will incorporate any lessons learned from previous capital budget applications and how they may be applied in future applications.*"

a) Please file any lessons-learned memorandum, checklist, or procedure prepared in response to Order No. P.U. 2(2026).
b) Please list each resulting change to a 2027 project or program, including scope, estimate, AACE class, capital-versus-operating classification, timing,

or supporting evidence. If none, identify the decision record concluding that no change was required.

Holyrood Thermal Generating Station Overview

CA-NLH-023 (Reference Schedule 3) Please provide the following annual information on the Holyrood TGS for 2022 to 2025: (i) total expenditure, (ii) capital expenditure, (iii) fuel expenditure, (iv) expenditure other than fuel and capital, (v) total generation (MWh), and (vi) total expenditure per MWh generated.

CA-NLH-024 (Reference Schedule 3) Please provide a table showing hourly generation (MW) for the Holyrood TGS for the periods November 1, 2024 to April 310, 2025, and November 1, 2025 to April 30, 2026.

CA-NLH-025 (Reference Schedule 3) In retrospect:

a) If the Holyrood TGS had not been in generation mode during winter 2024/25 and winter 2025/26, would Hydro have been able to provide sufficient energy and capacity for the IIS? If not, please identify the frequency and magnitude of any shortfalls.
b) If only Unit 3 had been available for generation during winter 2024/25 and winter 2025/26, would Hydro have been able to provide sufficient energy and capacity for the IIS? If not, please identify the frequency and magnitude of any shortfalls.

CA-NLH-026 (Reference Schedule 3) For each of the three units at the Holyrood TGS:

a) Please provide recent and current quantitative data on its reliability and efficiency. Looking forward, which unit is anticipated to be the least reliable?
b) What is the level of generation (MW) which minimizes operating cost (including fuel)?
c) What is the forecast annual capital expenditure on each unit over the 2027 - 2031 period?

CA-NLH-027 (Reference Schedule 3) Please provide an evaluation of the feasibility and cost-effectiveness of decommissioning one of the units at the Holyrood TGS and using the two remaining ones in 2026/27 and the remainder of the bridging period.

CA-NLH-028 (Reference Schedule 3) At this point in time 1) the Board has not approved the Avalon CT, 2) the Board has not yet established a schedule for review of Bay d'Espoir Unit 8, and 3) Hydro has yet to file an application for new energy generation (e.g., wind generation). Is it now likely that Holyrood TGS, and the Hardwoods and Stephenville gas turbines will remain in operation beyond 2030? If required beyond 2030, how might this impact the capital expenditures in the 2027 – 2031 Capital Plan?

CA-NLH-029 (Reference Schedule 3) Please provide a summary table showing the annual capital expenditures anticipated in the Application for each of Holyrood TGS, Hardwoods GT and Stephenville GT for 2027 through to 2031.

CA-NLH-030 (Reference Application, Schedule 3, pages 5–6) Hydro states that "*Hydro's 2027 CBA and this schedule assumes a transition to post-steam on March 31, 2030,*" and that Hydro "*has revised its base and sensitivity forced outage rate assumptions from 15% and 20% to 20% and 34%, respectively.*"

a) For each Holyrood unit, please provide the remaining economic life, in months, used to justify 2027 expenditures; the base and sensitivity forced-outage inputs, periods, and source; and each steam-related expenditure avoidable if steam operation ends after the winter of 2027/28.

b) Please file the Holyrood TGS Capital Plan Refresh filed March 7, 2025 and the March 31, 2022 long-term viability assessment, to the extent they support the remaining-life and forced-outage assumptions used in this Application.

CA-NLH-031 (Reference Application, Schedule 3, page 5; Schedule 2, Appendix A) Hydro states that retirement of Holyrood "*cannot be fully enabled until both the Avalon Combustion Turbine ('CT') and Bay d'Espoir ('BDE') Unit 8 are in service.*" Schedule 2, Appendix A includes Unit 8 expenditure of $154,574,500 in 2031.

a) Please provide the current P50 and P80 commercial-operation dates for the Avalon Combustion Turbine and Bay d'Espoir Unit 8. For each, list every Board Order authorizing early execution, the amount authorized, expenditures and commitments to date, and the remaining amount not approved.

b) If either P80 date falls after the winter of 2029/30, please identify each 2027 Holyrood steam-related expenditure in this Application whose remaining-life assumption would then be incorrect, and the undepreciated cost of that expenditure as of March 31, 2030.

2026 Capital Expenditures Overview

CA-NLH-032 (Reference Schedule 5 – 2026 Capital Expenditures Overview, Appendix B - Capital Expenditures and Carryover Report for the Year Ended December 31, 2025) It is stated (pages B-75 and B-75) "*The original project scope included the procurement and installation of seven ultra-fast direct current EV chargers at five of Hydro's most utilized charging sites along the Trans-Canada Highway. In 2024, additional funding was secured from the Government of Newfoundland and Labrador, and the number of planned new chargers has increased to ten*." This appears to be a significant change in scope of work. Did Hydro file a supplemental capital budget application for this change in scope, and if not, why not?

CA-NLH-033 (Reference Schedule 5 – 2026 Capital Expenditures Overview, Appendix B - Capital Expenditures and Carryover Report for the Year Ended December 31, 2025) Page B-87 includes a table comparing the CPW of AMI, AMR and continuing with manually read meters. Please update the table and identify each benefit provided by AMI relative to AMR and the associated dollar savings included in the analysis.

CA-NLH-034 (Reference Application, Schedule 1, Appendix A; Schedule 5, page 2, Table 1; Schedule 7, In-Service Failure programs) Hydro proposes eight 2027 in-service-failure programs: Combustion Turbine ($1,038,000); Diesel ($1,256,900); Distribution System In-Service Failures and Miscellaneous Upgrades

($6,665,200); Hydraulic ($3,353,500); Terminal Station ($2,203,300); Thermal ($3,836,400); Transmission ($194,500); and Telecommunications ($118,800). Those amounts total $18,666,600.

a) Please confirm the total of $18,666,600 and that it is 11.94% of the $156,355,300 proposed, or provide the corrected figures.
b) For each program, provide budget and actual expenditures for 2022–2025 and, for 2026, budget, actual expenditure to date, and full-year forecast.
c) Please file the written rule that moves a job out of an in-service-failure program into a named project, and state whether unused budget is returned or carried forward.
d) Schedule 5, Table 1 states a 2026 in-service-failure budget of $17,514,800, expenditures and forecast of $19,671,500, and variance of $2,748,000. The program rows displayed sum to $20,262,800 of expenditures and forecast. Please file a corrected Table 1 and explain the difference of $591,300.

Average Rate Base

CA-NLH-035 (Reference Schedule 6 – 2025 Average Rate Base) Please extend Table 1 to include 2022, 2023 and 2024.

CA-NLH-036 (Reference Schedule 6 – 2025 Average Rate Base) Assuming actual capital expenditures are as forecast in the Application's *Five-Year Capital Plan including Major Projects*, what would be Hydro's 2031 average rate base?

CA-NLH-037 (Reference Application, Schedule 6, page 1, Table 1, footnote 4; Hydro's 2025 Annual Financial Return; Board Annual Reports/Returns/Financial Reviews page) Hydro requests that the Board fix and determine 2025 average rate base at $2,486,782,000. Table 1 deducts "*Average Net Capital Assets Excluded from Rate Base*" of $7,631,000 without identifying the assets. Hydro's 2025 Annual Financial Return is publicly available, but a Doane Grant Thornton report reviewing Hydro's 2025 average rate base is not identified on either the 2027 Capital Budget Application docket or the Board's Annual Reports/Returns/Financial Reviews page as of August 31, 2026.

a) Please itemize the $7,631,000 in the same format as Table 2 of Grant Thornton's report on the prior year's average rate base, including asset, amount, exclusion reason, year first excluded, and applicable Board Order.
b) Please state whether Doane Grant Thornton has been engaged to review Hydro's 2025 average rate base and whether Hydro has provided the supporting records. Please file the report when available and provide its expected completion and filing dates. If no review has been commissioned, please s.

Regulatory Accounting and Financial Matters

CA-NLH-038 (Reference: Schedule 1, 2027 Capital Budget Overview, pgs. 3, 37–38; Schedule 2, 5-Year Capital Plan including Major Projects 2027–2031) Hydro is requesting approval of $156.4 million in the 2027 CBA. Hydro's total planned 2027 capital expenditure is $175.3 million excluding Major Projects and $545.6 million

including Major Projects. Hydro states that its five-year capital plan is intended to reflect investments necessary to provide safe, reliable, least-cost service while balancing cost, reliability and environmental impacts.

a) Please explain how Hydro determined the appropriate overall level of capital investment for 2027, taking into account: i) the $156.4 million included in this Application; ii) other approved, proposed or anticipated supplemental capital expenditures; iii) Major Project expenditures; and iv) the cumulative revenue requirement and rate impacts arising from these expenditures.
b) Please identify any overall customer affordability, revenue requirement, rate impact or capital-spending constraint used in determining Hydro's 2027 capital program. If none, please explain why not.
c) Please confirm and explain whether Hydro assessed the affordability and prudence of the $156.4 million proposed in this Application in the context of the total $545.6 million of anticipated 2027 capital expenditures. If not, explain why not.
d) Please provide Hydro's forecast of total annual capital expenditures, including Major Projects, for 2027–2031 and the associated annual incremental revenue requirement arising from those capital investments.
e) Please provide the portion of the incremental revenue requirement in part d above expected ultimately to be borne by residential customers, before application of Government rate mitigation.
f) Please explain how Hydro assesses whether the cumulative pace of capital investment remains affordable for residential customers when individual capital projects may each be independently justified.
g) Please provide Hydro's forecast of total capital-related revenue requirement, including depreciation, return and other capital-related costs, for each year 2025–2031 and provide the approximate amount and percentage attributable to residential customers.

CA-NLH-039 (Reference: Schedule 1, 2027 Capital Budget Overview, Section 7.1 and Conclusion). Hydro states that its prioritization process involves an initial review of project scope and need followed by prioritization using a matrix model. Hydro calculates both risk mitigated and risk mitigated per $1 million, although Hydro states that it cannot provide prioritization based on reliability improvement per dollar spent. Hydro further states that it deferred or cancelled 26 projects representing more than $29.2 million of 2027 capital investment, while concluding that all expenditures remaining in the CBA are prudent and necessary.

a) Please explain how Hydro determined the marginal point at which a project was included in the 2027 CBA rather than deferred to a later year.
b) Please provide a table with the 10 lowest priority programs/projects included in the 2027 CBA along with the 10 highest-priority programs/projects deferred or cancelled in developing the 2027 CBA. For each, please provide: i) the 2027 expenditure; ii) the pre-implementation risk score; iii) the post-implementation risk score; iv) the risk mitigated per $1 million; and v) the consequence of deferral by one year.
c) Please explain how Hydro distinguishes between: i) an expenditure that is prudent or beneficial if undertaken; and ii) an expenditure that must be undertaken in 2027 to achieve least-cost service for customers.

d) Please identify the projects comprising approximately the final $10 million of expenditures included in the 2027 CBA based upon Hydro's prioritization process.
e) For the projects identified in part d above, please explain the incremental benefit to customers from undertaking the work in 2027 rather than 2028.
f) If Hydro cannot identify a meaningful marginal group of projects between inclusion and deferral, please explain how its prioritization process constrains the overall capital budget.
g) Please explain whether Hydro established an overall capital expenditure envelope, affordability constraint or other portfolio-level constraint before determining which projects/programs would be included in the 2027 CBA. If not, please explain how Hydro's prioritization process prevents all projects that individually provide positive risk reduction or other benefits from ultimately being characterized as priorities.

CA-NLH-040 (Reference: Schedule 1, 2027 Capital Budget Overview, Section 6.9). Hydro estimates that the capital programs and projects proposed in the 2027 CBA will increase regulated revenue requirement by approximately $7.6 million in 2027 and $12.1 million in 2028. Hydro notes that these amounts do not reflect reductions arising from asset retirements or potential changes in operating and maintenance costs.

a) Please provide a recalculation of the revenue requirement impact of the proposed 2027 CBA for 2027–2029 to include: i) depreciation associated with new assets; ii) return on rate base; iii) removal of replaced/retired assets from rate base; iv) changes in depreciation associated with retired assets; v) gains, losses or other accounting consequences of asset retirement; vi) increases or decreases in operating and maintenance costs; and vii) other material revenue requirement effects directly attributable to the proposed investments.
b) Please provide an estimate of the net incremental revenue requirement after recognizing reasonably identifiable offsets attributable to the proposed capital investment associated with the 2027 CBA for each of 2027–2029. As part of the response, please also provide an estimate of the amount ultimately attributable to residential customers.
c) Please provide the resulting residential customer impact, before Government rate mitigation, expressed as: i) percentage rate impact; and ii) annual bill impact for a average residential customer (consumption level).
d) Please explain why the gross revenue requirement impacts presented in the Application are an appropriate measure of customer impact where reductions associated with retirements and O&M changes are excluded.

CA-NLH-041 (Reference: Schedule 1, 2027 Capital Budget Overview, Section 6.9; Schedule 7). Hydro's stated revenue requirement impact does not include potential changes to operating and maintenance costs. Various capital proposals identify lower maintenance, repair, outage-response or operating costs as benefits of undertaking capital investment. For example, Hydro states that failure to replace aging mobile equipment leads to increased maintenance costs. The Distribution Equipment SCADA project identifies operational efficiencies through reduced site visits and more productive use of skilled field staff.

a) Please identify each material 2027 capital project/program for which avoided or reduced: i) operating costs; ii) maintenance/repair costs; iii) outage-response costs; iv) contractor expenditures; v) labour requirements; or vi) other operating expenditures formed part of the justification for the proposed capital investment.
b) For each project/program identified in part a, please quantify the expected annual savings for 2027–2031.
c) Please identify specifically where each saving is reflected in Hydro's operating expense or revenue requirement forecasts, including the applicable operating expense account or budget line and amount by year.
d) Where an identified capital-project saving is not reflected as a reduction to forecast operating expense, please explain why not and identify when Hydro expects the saving to be reflected in customer rates.
e) Please identify material capital projects completed during 2022–2025 for which operating or maintenance savings were identified as a material benefit when approval was sought.
f) For each project identified in part e, please provide a table that consolidates: i) the annual savings forecast at the time approval was sought; ii) the actual savings realized following completion; and iii) the amount by which Hydro's revenue requirement was reduced as a result of those savings.
g) Please explain what controls are in place to ensure customers do not bear both: i) depreciation and return associated with new capital investment; and ii) the operating costs that the capital investment was expected to avoid or reduce.

CA-NLH-042 (Reference: Schedule 1, 2027 Capital Budget Overview; Schedule 7)

a) Please identify material capital projects/programs completed during 2022–2025 for which one or more of the following formed a material part of the justification for approval: i) reduced reliability risk; ii) reduced outage frequency or duration; iii) reduced operating or maintenance costs; iv) extended asset life; v) improved productivity/operational efficiency; or vi) other quantifiable customer benefits.
b) For each project/program identified in part a, please provide a table showing: i) approved cost; ii) actual cost; iii) forecast in-service date; iv) actual in-service date; v) material customer benefits forecast when approval was sought; and vi) actual benefits realized to date.
c) Please identify any project/program for which the material benefits relied upon in seeking approval have not been realized, or have been materially lower than forecast, and explain why.
d) Please explain how Hydro incorporates actual post-completion experience regarding costs, schedules and realized benefits into its assessment and prioritization of subsequent capital expenditures.
e) Please explain whether Hydro has a formal post-investment review or benefits-realization process for completed capital projects. If so, provide the applicable policy or guidelines and any reports completed during 2024–2026.

CA-NLH-043 (Reference: Application, paragraphs 13–16; Schedule 1, Section 6.7–6.9). Hydro states that assets serving only one customer are the responsibility of that customer and should not be funded by other customers. Hydro has accordingly identified

approximately $680,300 of 2027 expenditures specifically assigned to Tacora and approximately $1.16 million specifically assigned to IOC.

a) For each material program/project in the 2027 CBA, please identify whether the resulting revenue requirement is expected to be allocated to: i) Island Interconnected customers; ii) Labrador Interconnected customers; iii) Hydro Rural customers; iv) Industrial customers; v) Newfoundland Power; or vi) all customers.
b) Please provide the forecast 2028 revenue requirement arising from the 2027 CBA by the customer/system categories in (a).
c) Provide the approximate percentage ultimately expected to be borne by residential customers.
d) For general plant, information systems, transportation, tools/equipment and other shared-service investments, please explain the basis used to determine the portion of capital-related revenue requirement allocated to residential customers.
e) Please identify any capital project or program where the principal driver or beneficiary is an industrial, commercial or other identifiable customer/group but some portion of the cost is expected to be recovered from residential customers. For each, explain the cost-allocation basis.
f) Please explain how Hydro's cost-allocation practices ensure that residential customers do not subsidize assets or incremental service requirements principally caused by another customer or customer class.
g) Please identify the allocator(s) used to assign the revenue requirement associated with General Properties, Information Systems, Transportation and Tools and Equipment investments among customer classes and provide the residential allocation percentage applicable to each.

CA-NLH-044 (Reference: Schedule 1, 2027 Capital Budget Overview, Executive Summary and Conclusion). Hydro states that customer impacts from increased capital expenditures will be limited by Government's rate mitigation plan, under which domestic rate increases attributable to Hydro's costs are targeted to 2.25% annually through 2030.

a) Please explain whether and to what extent Government rate mitigation influenced Hydro's determination of: i) the size of the 2027 capital budget; ii) the timing of individual capital expenditures; iii) project deferral or advancement; and iv) Hydro's assessment of customer affordability.
b) Please confirm whether Hydro would recommend the same 2027 capital portfolio if the rate mitigation framework were not in place. If not, please explain why not and identify the expenditures that would change.
c) Please quantify the underlying revenue requirement attributable to the 2027 CBA that Hydro forecasts will not be reflected in domestic customer rates through 2030 because of rate mitigation.
d) Please explain how and when the costs identified in (c) are ultimately expected to be recovered or funded.
e) Please identify who ultimately bears the economic cost identified in (c).
f) Please quantify, by year from 2027–2030, the capital-related revenue requirement that would otherwise be recovered from domestic customers but is not reflected in domestic customer rates resulting from rate mitigation and

identify the subsequent accounting and recovery treatment of those amounts.

CA-NLH-045 (Reference: Schedule 3, Holyrood Thermal Generating Station Overview – Future Operation and Capital Expenditure Requirements; Schedule 7, Holyrood capital proposals). Hydro states that the Holyrood TGS is planned to remain fully available through March 31, 2030 and that continuation of Holyrood operations will result in combined fuel, capital and operating costs exceeding $100 million per year. Hydro also states that the availability of Holyrood as meaningful capacity backup by 2031 is becoming increasingly uncertain.

a) Please provide, by year from 2024 through the currently forecast conclusion of generation operations, the actual or forecast cost of maintaining Holyrood available, including: i) fuel costs; ii) sustaining capital expenditures; iii) depreciation on new capital investment; iv) accelerated depreciation; v) Holyrood Accelerated Depreciation Deferral Account impacts; vi) fixed operating and maintenance expenditures; vii) major maintenance and overhaul expenditures; and viii) other material costs.
b) Please provide the cumulative cost to customers of maintaining Holyrood available over that period.
c) Please provide the portion of the cumulative amount in (b) forecast to be borne by residential customers.
d) Please compare the current cumulative cost forecast with the forecast underlying Hydro's original decision to maintain Holyrood through the Bridging Period and explain all material changes.
e) Please identify the amount of new capital investment expected to be placed in service at Holyrood in each of 2027–2030 and the number of months over which each material investment is expected to be depreciated.
f) Please explain whether Hydro has established any cumulative cost, annual expenditure, $/MW-year or other financial threshold at which it would reassess the overall economics of continuing the Bridging Period strategy.
g) If no such threshold exists, please explain how Hydro ensures that a series of individually justified sustaining expenditures does not collectively result in a strategy that is no longer least cost for customers.
h) Please identify the capital expenditures incurred or forecast during 2024–2030 that would not have been required if Holyrood generation operations had concluded prior to the Bridging Period and provide the cumulative capital-related revenue requirement associated with those expenditures.

CA-NLH-046 (Reference: Schedule 7, Perform Boiler Condition Assessment and Miscellaneous Upgrades (2027) – Holyrood). Hydro describes the Boiler Condition Assessment and Miscellaneous Upgrades project as an annual assessment/inspection process accompanied by targeted upgrades or replacement work. Hydro states that depreciation of new Holyrood investment is calculated as the capital investment divided by the remaining months of service life.

a) For each 2027 Holyrood capital project/program, please provide: i) proposed expenditure; ii) expected in-service date; iii) expected remaining service life at the in-service date; and iv) resulting depreciation period.
b) Separately identify expenditures relating to: i) inspection/condition assessment; ii) routine maintenance and repair; iii) refurbishment; iv)

component replacement; and v) life extension. As part of the response, please explain the basis under IFRS and Hydro's Capitalization Guidelines for capitalizing each category.

c) Please explain how Hydro distinguishes costs necessary to maintain an existing asset in its current operating condition through retirement from expenditures that increase future economic benefits or extend service potential.

d) For the Boiler Condition Assessment and Miscellaneous Upgrades project, please identify the proposed expenditure attributable to: i) assessment and inspection; ii) physical work already identified; and iii) work that will only be identified as a result of the 2027 assessment.

e) Please explain how Hydro will assess the capitalization eligibility of work identified following the 2027 assessment rather than automatically charging that work to the approved capital project.

f) Please explain the customer-cost treatment of any unamortized or undepreciated balance if Holyrood or an individual asset is retired earlier than forecast.

CA-NLH-047 (Reference: Schedule 7, Information Systems projects; 2025 Capital Expenditures and Carryover Report). Hydro states that cloud/SaaS solutions may not qualify for capitalization under IFRS and that the ultimate accounting classification frequently cannot be determined until procurement is completed. Hydro has previously determined that the SharePoint solution did not qualify for capitalization under IFRS and proposed that the implementation costs instead be included in the Cloud Cost Deferral Account.

a) For each information systems project proposed in the 2027 CBA, please identify whether Hydro presently expects the solution to be: i) owned/on-premises; ii) cloud-hosted and controlled by Hydro; iii) SaaS; or iv) undetermined pending procurement.

b) Please identify the amount presently assumed to be capital for purposes of the CBA and revenue requirement calculation.

c) Where classification is currently undetermined, please explain how Hydro has reflected the expenditure in forecast rate base, depreciation and revenue requirement.

d) For expenditures that do not qualify for capitalization under IFRS but are eligible for the Cloud Cost Deferral Account, please provide: i) the eligible cost categories; ii) the amortization period; iii) the carrying-cost/return treatment; and iv) the treatment of interest incurred during implementation.

e) Please explain the basis for permitting carrying costs or capitalized interest on implementation expenditures that are operating costs under IFRS.

f) Please compare the cumulative revenue requirement borne by customers from a representative $1 million: i) owned software investment; and ii) cloud/SaaS implementation expenditure deferred through the Cloud Cost Deferral Account.

g) Please explain how Hydro ensures that regulatory accounting treatment does not favour one technology solution over another independently of the lifecycle cost to customers.

h) Please provide the portion of the Cloud Cost Deferral Account and associated

annual amortization/carrying costs expected to be allocated to residential customers.

CA-NLH-048 (Reference: Schedule 7, project/program cost estimates). Hydro's capital estimates routinely include internal labour and other indirect costs.

a) Please provide the total internal Hydro labour forecast to be capitalized through the 2027 CBA.
b) Please identify the employee-cost categories eligible for capitalization, including: i) salary; ii) overtime; iii) benefits; iv) payroll burden; v) engineering; vi) project management; and vi) other overhead.
c) Please provide all loadings applied to direct labour and identify their components.
d) Please identify the total project-management, engineering, administrative and other indirect costs forecast to be capitalized in the 2027 CBA.
e) Please explain whether costs associated with the following are capitalized and identify the accounting basis: i) preliminary investigation; ii) feasibility analysis; iii) capital planning and budgeting; iv) preparation of regulatory applications; v) procurement; vi) general administration; and vii) project closeout.
f) Please explain how capitalized labour and overhead are removed from operating expense such that customers do not recover the same costs through both O&M and capital-related revenue requirement.
g) Please quantify the forecast reduction in operating expense resulting from labour and overhead capitalized in 2027.

CA-NLH-049 (Reference: Schedule 7, project/program estimates). Hydro generally combines interest during construction and escalation within a single "Interest and Escalation" budget category. The 2025 Capital Expenditures and Carryover Report also identifies additional interest during construction associated with project carryover.

a) Please provide Hydro's current policy governing capitalization of interest during construction.
b) Please identify the interest rate(s) used in the 2027 CBA.
c) For each project/program exceeding $750,000, please separately provide the amounts presently reported as "Interest and Escalation" attributable to: i) interest during construction; and ii) escalation.
d) Please provide the total interest during construction included in the 2027 CBA.
e) Please explain Hydro's policy governing suspension of interest capitalization where project activity is materially interrupted.
f) Please identify capital projects during 2024–2026 that were materially paused or delayed for reassessment of scope, budget, justification or alternatives but for which interest continued to be capitalized. As part of the response, for each project identified, please also provide the period of interruption and amount of interest capitalized during that period.
g) Please explain whether interest is calculated on: i) unused contingency; ii) customer-funded expenditures; iii) expenditures subsequently reimbursed by insurance or another party; and iv) vehicles, mobile equipment or other

substantially completed assets during the period between ordering and delivery.

CA-NLH-050 (Reference: Schedule 6, 2025 Average Rate Base; Schedule 1, Section 6.9). Hydro's 2025 average rate base calculation shows accumulated depreciation net of the Retirement Asset Pool and Removal Provision. Hydro's stated CBA rate impacts do not reflect reductions resulting from asset retirements.

a) For each material 2027 renewal or replacement project, please identify the assets expected to be retired as a direct consequence of the proposed capital investment.
b) Please provide the estimated: i) the original cost; ii) the accumulated depreciation; and iii) the net book value of the assets at the expected retirement date.
c) Please explain the regulatory accounting treatment of: i) the remaining net book value; ii) the removal costs; iii) salvage; and iv) gains or losses on retirement.
d) Please describe the operation of the Retirement Asset Pool and Removal Provision.
e) Please provide the 2024 and 2025 opening balances, additions, charges/amortization and closing balances of those accounts.
f) Please identify amounts expected to be added to those accounts as a result of 2027 CBA retirements.
g) Please explain how and over what period those costs are ultimately recovered from customers.

CA-NLH-051 (Reference: Schedule 7, Refurbishment and Life-Extension Projects).

a) For each 2027 project exceeding $1 million described as a refurbishment, upgrade or life extension, please provide: i) the expected in-service date; ii) the depreciation class; iii) the depreciation rate; iv) the expected depreciable life of the expenditure; and iv) the remaining accounting life of the underlying asset.
b) Please explain whether the new expenditure is depreciated over: i) the expected life of the refurbishment; ii) the remaining life of the underlying asset; or iii) another period.
c) Where Hydro states that the proposed investment will extend asset service life, please quantify the additional life assumed for depreciation purposes.
d) Please identify any project where the expected physical/service life of the investment differs materially from the period over which customers will pay depreciation expense and explain why.
e) Please explain how Hydro's depreciation treatment ensures an equitable allocation of the cost between current and future customers expected to receive the benefits of the investment.

CA-NLH-052 (Reference: Application Schedule 7).

a) Please provide Hydro's current Capitalization Guidelines and associated accounting policies, procedures and internal guidance applicable to the expenditures proposed in the 2027 CBA, including policies governing capitalization versus expense, internal labour and overhead, IDC,

software/cloud expenditures, refurbishment and major maintenance, asset retirements and in-service dates.

CA-NLH-053 (Reference Application, Schedule 1, pages 35–36, section 6.9, Table 10) Hydro estimates that the capital budget proposed in this Application would increase revenue requirement by $7.6 million in 2027 and $12.1 million in 2028. Hydro states that Island Interconnected domestic rate increases will be "*limited to target domestic rate increases of 2.25% annually … regardless of the increase in revenue requirement.*"

a) Please provide the native model supporting Table 10, showing project-level in-service dates, additions to rate base, work in progress, interest during construction, depreciation, return, operating impacts, and retirements. Report revenue-requirement and rate impacts by class for (i) the $156.4 million proposed and (ii) all $545.6 million of 2027 expenditure, recognizing when each asset enters service.
b) For Island Interconnected domestic customers, provide the unmitigated and 2.25%-limited impacts, in dollars and cents per kWh, and identify who funds or bears the difference and any deferral, subsidy, or other mechanism used.

CA-NLH-054 (Reference Application, paragraphs 13–16; Schedule 1, section 6.7; Notice of Application dated July 28, 2026) Hydro states that 2027 costs specifically assigned to Tacora Resources Inc. are $680,300 and that costs specifically assigned to Iron Ore Company of Canada are approximately $1.16 million. Hydro states: "*Each customer has acknowledged its responsibility.*"

a) Please file the acknowledgements.
b) The Notice of Application does not refer to section 41(5) of the Act. Please explain the omission and whether Hydro proposes a supplemental notice or other procedural step before seeking approval of the contributions.
c) Please identify each 2027 plant addition that will serve a single customer and is not specifically assigned, including the 2027 cost and the reason it is not specifically assigned.
d) Please file the Board-approved contribution-in-aid-of-construction policy and approving Order that Hydro is applying in 2027. For each contribution, state whether Hydro relies on that policy and section 41(6), or seeks specific approval under section 41(5).

Expenditures Relating to Holyrood TGS and Stephenville and Hardwoods Gas Turbines

CA-NLH-055 (Reference Overhaul Generator - Unit 3 (2027) – Holyrood) Table 3 shows the project schedule for Holyrood Unit 3 overhaul. How does Hydro assess whether a company has the requisite expertise to bid this project, and other proposed projects, on the aged oil-fired Holyrood TGS?

CA-NLH-056 (Reference Overhaul Major Pumps and Associated Motors (2027) - Holyrood) It is stated (page 5) "*Hydro believes it prudent to defer the replacement of Unit 3 South Vacuum Pump to 2027, as more run time on the Unit 3 North Vacuum Pump is required to identify any remaining issues before installing the new South Vacuum Pump and ensure its long-term reliable operation.*" Please define "long-

term reliable operation" within the context of a facility that is planned for retirement 3 years hence.

CA-NLH-057 (Reference Overhaul Major Pumps and Associated Motors (2027) - Holyrood) It is stated (page 10) "*While this strategy also increases the availability of major pumps and motors to contribute to the reliable operation of the generating units, it is not a viable alternative to the planned overhaul as per the established intervals, as running to failure increases the risk of further unit damage*." Why is "running to failure" not viable for a generating unit that is planned for retirement 3 years hence?

CA-NLH-058 (Reference Overhaul Generator - Unit 3 (2027) – Holyrood)

a) Given Hydro's plan to use Unit 3 only as a synchronous condenser after 2030, why is the overhaul generator project necessary just three years prior to that?
b) If the current generator is to be utilized as a synchronous condenser post 2030, as of 2026, what is its expected remaining useful life?

CA-NLH-059 (Reference Renew Circuit Breakers (2027 – 2029), Appendix A) Will the circuit breakers that are planned for replacement or refurbishment at Holyrood and Hardwoods be repurposed after these plants are retired in 2030?

CA-NLH-060 (Reference Overhaul Main Enclosure (2027) - Stephenville) Are there no alternatives costing less than $975,400 to patch the enclosure adequately to keep the plant operating for the 2.5 years to retirement? Is running to failure an acceptable alternative given the 2.5-year lifespan of the gas turbine?

CA-NLH-061 (Reference Volume II, Perform Boiler Condition Assessment and Miscellaneous Upgrades (2027) – Holyrood) The estimated cost is $10,119,700. Hydro states that this annual project began in 2017 and that the 2027 scope includes replacement of Unit 3 High-Pressure Heater #6.

a) Please itemize the $10,119,700 by condition-assessment work and each named asset replacement, including the cost of Unit 3 High-Pressure Heater #6. Identify internal labour, contractor, material, contingency, and other costs.
b) For each replacement, provide remaining life to March 31, 2030; the cost and risk of proceeding in 2027, condition-based deferral, and an in-service failure; and whether the work is required for safe and reliable steam operation in the winters of 2027/28 and 2028/29.
c) Please explain the capitalization basis for the condition-assessment work and distinguish any operating expense.

CA-NLH-062 (Reference Volume II, Overhaul Turbine Valves – Unit 1 (2027) – Holyrood) The estimated cost is $7,973,100. The Unit 1 overhaul was last performed in 2024, the 2022 Hatch assessment found the valves in good condition, and Hydro relies on an established three-year cycle for these safety-critical valves.

a) Please file the 2024 as-found report.
b) For each of the 17 major valves, please provide the 2024 as-found measurements, applicable original-equipment-manufacturer limits, and work performed.

c) For valves within those limits, please compare the engineering risk and cost of the fixed three-year cycle with a condition-based extension. Identify the minimum work required for safe operation through March 31, 2030.

Refurbish Aluminum Towers

CA-NLH-063 (Reference Refurbish Aluminum Towers – TL212 (2027–2028)) It is stated (page 3) "*TL212 is exposed to heavy salt spray as well as pollutant contamination from the refinery at Come By Chance. As a result, the galvanized steel components of the line have corroded significantly. These components include the guy wires and insulator support assemblies of the aluminum towers*."

a) Are materials other than galvanized steel available that are less susceptible to corrosion?
b) What is the evidence that pollutant contamination from the Come By Chance refinery damages the galvanized steel components of the line?

CA-NLH-064 (Reference Refurbish Aluminum Towers – TL212 (2027–2028)) It is stated (page 8) "*Due to the geographic location of TL212, this transmission line is regularly exposed to heavy salt spray and pollutant contamination from the refinery in Come By Chance*."

a) What pollutants are emitted from the refinery?
b) Can Hydro adjust the specifically assigned charges associated with the refinery to reflect the cost caused by the pollutants?
c) Why should other ratepayers pay for damages specifically caused by one customer?

Light- and Heavy-Duty Vehicles

CA-NLH-065 (Reference Replace Light-Duty Vehicles 2027 - 2028)

a) How many of Hydro's current light-duty vehicles are electric or hybrid?
b) Are the same criteria used to determine when an electric or hybrid vehicle should be replaced?
c) In light of the capacity challenges facing the IIS, has Hydro considered adopting a policy of favouring hybrid vehicles over fully electric ones?

CA-NLH-066 (Reference Replace Heavy-Duty Vehicles 2027 - 2028) It is stated "*To mitigate these uncertainties, Hydro has increased the amount of contingency included within this proposal to approximately 20%*." Why is this necessary given that Hydro simply informs the Board if actual costs turn out to be greater than budget in its next Capital Expenditures and Carryover Report?

Wind and Solar

CA-NLH-067 (Reference Application)

a) What opportunities for non-wires alternatives to provide capacity, energy, ancillary services or other customer-related services that have been identified in the Reliability and Resource Adequacy Study are included in Hydro 2027 CBA and its Five-Year Capital Plan (2027-2031)?

CA-NLH-068 (Reference CA-NLH-023 from Hydro's 2026 CBA) It is stated "*As noted in Hydro's 2024 Resource Adequacy Plan, the estimated levelized cost of energy from solar generation is $87/MWh.*"

a) Please provide an update for this estimate and indicate if it relates to rooftop solar or a solar farm that might be established to supply a new subdivision. Further, is this an all-in cost including capital, operation and maintenance costs, etc?
b) Please identify the projects and programs included in the 2027 CBA where solar at this cost was evaluated as an alternative.
c) Has Hydro and/or Newfoundland Power provided customers with a lifetime cost comparison of household wind and solar to the cost of purchasing power from the grid? If not, why not? If so, what customer rates are assumed in the comparison?
d) What costs are avoided by Hydro and/or Newfoundland Power when a customer installs its own generation; e.g., generation, transmission and distribution?

Other Specific Projects and Programs

CA-NLH-069 (Reference Application) Please identify all capital, operating and maintenance costs incurred by Hydro for metering in each of the past five years and forecast for 2027 through 2031.

CA-NLH-070 (Reference Application) What is the current status of Hydro's studies on retirement of its small hydro generating facilities? Please file any studies Hydro has completed on its small hydro generation facilities, specifically, those with capacities that are less than 1 MW.

CA-NLH-071 (Reference Application and CA-NLH-042 from 2026 NLH CBA) In reference to the allowance for "unforeseen items", please update Table 1 to May 2026 to provide a history of this allowance from 2000 to the present.

CA-NLH-072 (Reference Application, Capital Programs and Projects, Upgrade Worst-Performing Distribution Feeders (2026–2027) and CA-NLH-093 from the 2026 NL CBA) Please update the table showing SAIDI, SAIFI and CHI performance before and after upgrade work on each feeder included in this program since 2019.

CA-NLH-073 (Reference 2026 CBA, Widen Right of Way (2026–2028) – Gros Morne National Park, Attachment 1)

a) What is the status of this work?
b) What is the difference in cost allocated to customers in 2026, 2027 and 2028 if the project had been classified as capital rather than maintenance?

CA-NLH-074 (Reference Terminal Station Asset Management Strategy – 2026 Update) It is stated "*The majority of Hydro's battery banks consist of lead-acid flooded-cell type batteries, whose capacity deteriorates over time*." Have advanced battery technologies such as lithium-ion displaced lead acid batteries in such applications? Are they expected to at some point in the future?

CA-NLH-075 (Reference Refurbishment of Ebbegunbaeg Dam (2027–2030) - Ebbegunbaeg, Attachments 1 and 2) Hatch and KGS Group make a number of recommendations in the Executive Summary of the Hatch report (page 11 and 12 of 268) and in Table ES-5 of the KGS Group report (pages 12 to 17 of 381). Has Hydro implemented these recommendations?

CA-NLH-076 (Reference Replace Diesel Gensets (2027–2029) – Makkovik and Inspect Fuel Storage Tanks (2027–2028) - Makkovik)

a) How much capital per customer is Hydro proposing to spend through 2029 in Makkovik?
b) What is the cost of fuel in cents/kWh for Makkovik, and what is the overall cost of operation, maintenance and fuel per customer in Makkovik forecast for 2029?
c) How much of this cost will be paid by the electricity consumers in Makkovik?

CA-NLH-077 (Reference Replace T1 (2027–2029) – Burgeo) Given the significant increases in transformer cost and delivery times in recent years, and the issues with salt contamination, is there a qualitative argument for proceeding with the alternative to convert the voltage of the BUR feeders in spite of its 12.7% cost disadvantage? Would the voltage conversion alternative also reduce environmental risks?

CA-NLH-078 (Reference Replace Diesel Gensets (2027–2029) – Burnt Dam Spillway) Is it feasible to replace the 3 gensets with 2 gensets?

CA-NLH-079 (Reference Programs and Projects Under $750,000, Procure Accommodations – Postville, Page 1 of 13) What types of accommodations are available for procurement in Postville?

CA-NLH-080 (Reference Volume II, Refurbish MD-1 (2027–2030) – Ebbegunbaeg; Schedule 1, Appendix G) The estimated cost is $11,034,800. The external construction-contract estimate is AACE Class 4; other costs were estimated internally. Hydro states that slope stability does not meet the Canadian Dam Association factor of safety and that a boil indicates internal erosion. Design is planned for 2027 and construction for 2028–2030.

a) Please provide the Canadian Dam Association consequence classification for MD-1 and MD-1S.
b) The boil was first observed in 2006. Please provide the complete 2006–2026 monitoring dataset, including seepage flow, boil dimensions, piezometric levels, survey movement, inspection findings, dates, and measurement methods.
c) Please describe each drawdown or reservoir-restriction alternative considered and the operating constraints and outage plan for Meelpaeg, Upper Salmon, and Bay d'Espoir during construction.
d) Please allocate the $11,034,800 between 2027 design and 2028–2030 construction. Please state the date on which Hydro expects to have an AACE Class 3 estimate, and the reason construction years are included in this annual Application before that estimate is available.

CA-NLH-081 (Reference Application, Schedule 1, Chart 15 and section 6.5; Volume II, Programs and Projects Under $750,000, Additions for Load Growth – Upgrade Fuel Storage (2027) – Cartwright) Hydro classifies $442,700 for replacement of a 44,000 litre fuel storage tank at Cartwright with a 66,000 litre tank as System Growth. Hydro states that the existing tank is "*in violation of its bulk fuel storage planning criteria.*" Hydro states that this amount is the System Growth proposed in this Application.

a) Please file the bulk fuel storage planning criteria and the load and tank-capacity calculation supporting the 66,000 litre replacement. Please state the resulting days of fuel storage and any change in generating capacity (kW).
b) Please list each System Growth project or program for 2027 through 2031 that is not included in this Application, including Jean Lake Terminal Station and Major Projects, with 2027 expenditure and total project cost.

CA-NLH-082 (Reference Volume II, Stabilize Powerhouse Slope (2027) – Cat Arm) The estimated cost is $1,729,800. The project is classified as General Plant. The Cat Arm powerhouse has a capacity of 134 MW.

a) Please identify the provision of the Provisional Capital Budget Application Guidelines on which Hydro relies to classify this work as General Plant rather than as Renewal – Hydraulic Plant.
b) Please reconcile Hatch's immediate and short-term recommendations to the 2026 Hydraulic In-Service Failures program and the $1,729,800 proposed for 2027. Identify each deferred recommendation, with timing and risk.

CA-NLH-083 (Reference Application, Schedule 7, Wood Pole Line Management (2027), Tables 7–9 and Appendices A–B) The estimated cost is $7,998,000. Hydro plans 2,101 pole inspections and 53 pole replacements.

a) Please allocate the $7,998,000 among inspection and treatment, analysis and engineering, pole replacement, other component refurbishment, access or environmental mitigation, contractor work, and contingency. Please reconcile that allocation to the 2,101 inspections and the 53 replacements in Table 8.
b) Appendix A does not identify a committed replacement year for each pole older than 55 years. Please provide, by line, the number and condition of those poles, the planned inspection, treatment, refurbishment, or replacement year, the decision trigger, and the reason for any deferral.
c) Please reconcile the 67-year expected mean life stated for Avalon Peninsula poles with the greater-than-90-year mean life stated for Hydro's network. Provide the Iowa-curve dataset, curve selection, parameters, age-band hazard or failure rates, uncertainty, and treatment of failure modes not captured by age.
d) Please provide the forecast change in SAIDI, SAIFI, or customer-hours of interruption with the 2027 program and without it, and the resulting reliability improvement per $1 million, or state that Hydro cannot calculate that figure.

CA-NLH-084 (Reference Volume II, Upgrade Worst-Performing Distribution Feeders (2027–2028); Schedule 1, page 21, Table 5) The project is the refurbishment of Fleur de Lys Line 1. The estimated cost is $176,300 in 2027 and $3,565,100 in total. Hydro states that the feeder serves approximately 130 customers and reports five-year

average customer-hours of interruption of 3,026.89. Table 5 ranks South Brook, Line 1 first by customer-hours of interruption, at 16,075.

a) Please provide, for Fleur de Lys Line 1 and South Brook Line 1: customer count; five-year SAIDI, SAIFI, and customer-hours of interruption; dominant outage cause; 2027 and total cost, if any; and cost per customer.
b) Please provide the forecast change in SAIDI, SAIFI, or customer-hours of interruption from the proposed Fleur de Lys work, and the reason South Brook, Line 1 was not selected.
c) Please identify the weather-hardening standard Hydro states it has updated "*due to climate change,*" the respects in which Fleur de Lys Line 1 does not meet that standard, and the cost of the work required for compliance as distinct from the replacement of failed or deteriorated components.

CA-NLH-085 (Reference Volume II, Upgrade Line Depot (2027–2029) – Bay d'Espoir) The estimated cost is $6,200,700, of which $470,600 is proposed for 2027. The project is classified as General Plant. Hydro states that the existing 1964 building is at the end of its service life and that mould, lead, and asbestos are present.

a) Please provide the AACE estimate class and allocate the $6,200,700 among 2027 design or other pre-construction work and 2028–2029 construction. Please state the date on which Hydro expects to have an AACE Class 3 estimate.
b) Please provide the detailed cost and net-present-value comparison for demolition and new construction, refurbishment, use or renovation of the Facilities Maintenance Building and workshop, and continuation of interim accommodation. Include residual hazards and remaining life.
c) Attachments 1–3 contain the asbestos, lead, and mould assessments. Please identify the material findings and required actions, and show the abatement or demolition cost included for each alternative. Identify any change in conditions since the assessments.

CA-NLH-086 (Reference Application, Schedule 7, Perform Facilities Refurbishments (2027); Order No. P.U. 2(2026)) The estimated cost is $1,470,200. Order No. P.U. 2(2026) approved $3,027,900 for this program in 2026. Schedule 7 includes a 2018 building and infrastructure condition assessment for the Stephenville office.

a) Please list each 2027 scope, with cost, building, and the year of the condition assessment on which the scope relies.
b) The 2017 and 2018 assessments are included as Appendices D–F. Please identify any 2026 site validation, material change in condition, and update to the recommendations or costs.
c) Please describe the changes, if any, made to the 2027 program as a result of the Board's findings on this program in Order No. P.U. 2(2026), including estimating method and the distinction between capital and operating expenditures.

DATED at St. John's, Newfoundland and Labrador, this 31st day of August, 2026.

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Per: _____

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