

- 1 **Q. (Reference Application, para. 2)**
2 **a) Is NP requesting Board approval of capital expenditures totaling**
3 **\$196,647,000 in the 2026 Capital Budget Application including \$140,389,000**
4 **in new expenditures (includes \$40,848,000 which would be expended in 2027**
5 **and \$8,040,000 in 2028) and \$56,258,000 for projects that were previously**
6 **approved by the Board?**
7 **b) Please provide a comparison of the expenditures in part a) relating to the**
8 **2026 CBA to comparable figures in the 2025 CBA, both proposed and**
9 **approved, and show the increase in both dollars and percent.**
10 **c) Please identify any other capital expenditures in 2026 that are not included**
11 **in these figures such as expenditures for which NP anticipates seeking**
12 **approval through supplemental capital budget applications.**
- 13
- 14 **A.** a) In its *2026 Capital Budget Application*, Newfoundland Power is requesting approval
15 from the Board for \$137,943,000 for capital projects and programs to be completed
16 in 2026. This is comprised of \$91,501,000 for new expenditures and \$46,442,000 for
17 expenditures that were previously approved by the Board.¹
18
19 The Company is also requesting approval from the Board for \$58,704,000 for
20 multi-year capital projects that are forecast to be completed in future years. This is
21 comprised of \$48,888,000 for new expenditures and \$9,816,000 for expenditures
22 that were previously approved by the Board.² These projects are expected to be
23 submitted for final approval with the 2027 and the 2028 capital budget applications.
24
25 b) Table 1 provides a comparison of the expenditure types proposed in the *2025 Capital*
26 *Budget Application* and the *2026 Capital Budget Application*.

Table 1
2025 and 2026 Capital Budget Applications
Comparison by Expenditure Type

Expenditure Type	2025 Budget (\$000s)	2026 Budget (\$000s)	Variance (\$000s)	Percent Change
Previously Approved Expenditure in Budget Year	19,414	46,442	27,028	139%
New Expenditure in Budget Year	108,537	91,501	(17,036)	(16%)
Total Capital Proposed for Current Budget Year	127,951	137,943	9,992	8%
Previously Approved Expenditure in Future Years	297	9,816	9,519	3205%
New Expenditure in Future Years	55,961	48,888	(7,073)	(13%)
Total Capital Proposed for Future Budget Years	56,258	58,704	2,446	4%

¹ See Newfoundland Power's *2026 Capital Budget Application, Application*, paragraph 9(a).

² See Newfoundland Power's *2026 Capital Budget Application, Application*, paragraphs 2(d) and 9(b).

1 c) Newfoundland Power files supplemental capital expenditure applications to address
2 necessary capital expenditures that were not included in its annual capital budget
3 applications. Such capital expenditure applications could be required for various
4 reasons, including to address unanticipated equipment failures or to connect new
5 customers to the electricity system.

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7 Newfoundland Power cannot confirm that additional supplemental capital
8 expenditures will be required in the 2026 capital budget year. If the need for
9 supplemental capital expenditure does arise during that period, the Company will file
10 a supplemental capital expenditure application in accordance with the Board's
11 Provisional Guidelines.