

1 **Q. Reference: "2026 Capital Budget Application," Newfoundland Power Inc.,**  
2 **June 27, 2025, 2026-2030 Capital Plan, sec. 3.3.2., p.16.**  
3

4 **Refurbishment projects for individual distribution feeders are expected**  
5 **to increase over the forecast period, with annual expenditures**  
6 **increasing from approximately \$0.7 million in 2026 to approximately**  
7 **\$8.1 million in 2030.**  
8

9 **Please provide a breakdown of estimated cost increases by key driver**  
10 **contributing to the increase in annual expenditures from 2026 to 2030.**  
11

12 **A.** Newfoundland Power (the "Company") prioritizes projects on an annual basis to ensure  
13 reliable service at least cost to customers. Between 2027 and 2030, refurbishment  
14 projects for individual distribution feeders are forecasted at approximately \$8 million  
15 annually.  
16

17 Newfoundland Power has identified three key drivers for the increase in estimated costs  
18 for individual distribution feeders in the 2026-2030 capital plan. The refurbishment of  
19 deteriorated distribution lines accounts for approximately one half of the budget costs in  
20 individual distribution feeders. Approximately one quarter of budgeted costs are related  
21 to feeder reconfigurations and voltage conversions, and one quarter of budgeted costs  
22 are related to the refurbishment of underground distribution infrastructure.  
23

24 The primary factors impacting this prioritization are condition and inspection results.  
25 Feeders are inspected in accordance with the Company's *Distribution Inspection and*  
26 *Maintenance Practices*. When a feeder is found to be deteriorated or nearing end of life,  
27 it is scheduled for refurbishment based on condition. The total annual cost may vary  
28 depending on the number of feeders requiring refurbishment in any given year.