

1 **Q.** Reference: "2026 Capital Budget Application," Newfoundland Power Inc.,  
2 June 27, 2025, sch. B, Transmission Line Maintenance, p. 78.  
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4 The budget for the Transmission Line Maintenance program is based on  
5 a historical average. Historical annual program expenditures over the  
6 most recent five-year period are expressed in current-year dollars as  
7 Adjusted Costs. The estimate for the budget year is calculated by  
8 taking the average of the Adjusted Costs and inflating it using the GDP  
9 Deflator for Canada for non-labour costs and the Company's internal  
10 labour inflation rate for labour costs.  
11

12 **What impact does Newfoundland Power anticipate that its Rebuild**  
13 **Distribution Lines program will have on the budget for the Transmission Line**  
14 **Maintenance program? Please explain.**  
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16 **A.** Newfoundland Power is not aware of any direct impact that its *Rebuild Distribution Lines*  
17 program has on the budget for the *Transmission Line Maintenance* program. While, at  
18 times, work performed under these programs may be coordinated in order to realize  
19 operational efficiencies and cost savings, the two programs are generally unrelated.