

1 **Q. Reference: "2026 Capital Budget Application," Newfoundland Power Inc.,**
2 **June 27, 2025, sch. B, System Upgrades, pp. 94-96.**

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4 **a) For the systems with proposed 2026 upgrades, how frequently are**
5 **these systems typically upgraded, and how was this frequency**
6 **determined?**

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8 **b) Were any of the proposed 2026 upgrades deferred from previous**
9 **years? If so, what factors have changed to require those upgrades to be**
10 **completed as part of the 2026 CBA?**

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12 **A.** a) The Company's Financial Management System and SCADA system are upgraded
13 annually, in accordance with vendor recommendations. This approach ensures that
14 the systems remain current with the latest functionality, bug fixes, and security
15 patches, which are essential for operational reliability and cybersecurity.

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17 Other systems proposed for upgrades in 2026 are typically upgraded on a two- to
18 four-year cycle. This frequency is determined by several factors, including vendor
19 requirements to maintain product support, introduction of new functionality,
20 resolution of software defects, and security considerations, as outdated software
21 may contain vulnerabilities.

22
23 Regular upgrades incorporate security patches that mitigate these risks, thereby
24 safeguarding system integrity and ensuring continued operational reliability.

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26 b) None of the proposed 2026 upgrades were deferred from previous years. All
27 upgrades included in the Company's *2026 Capital Budget Application* are scheduled
28 based on their normal lifecycle and operational requirements.