



Newfoundland and Labrador Hydro  
Hydro Place, 500 Columbus Drive  
P.O. Box 12400, St. John's, NL  
Canada A1B 4K7  
t. 709.737.1400 | f. 709.737.1800  
nlhydro.com

August 27, 2026

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

Attention: Mike McNiven  
Senior Regulatory Advisor & Board Secretary

**Re: Newfoundland Power Inc.'s 2027 Capital Budget Application – Requests for Information**

Please find enclosed Newfoundland and Labrador Hydro's requests for information NLH-NP-013 to NLH-NP-019 in relation to Newfoundland Power Inc.'s 2027 Capital Budget Application.

Should you have any questions, please contact the undersigned.

Yours truly,

**NEWFOUNDLAND AND LABRADOR HYDRO**

A handwritten signature in blue ink, appearing to read "Shirley A. Walsh", written over a horizontal line.

Shirley A. Walsh  
Senior Legal Counsel, Regulatory  
SAW/mc

Encl.

ecc:

**Board of Commissioners of Public Utilities**  
Jacqui H. Glynn  
Ryan Oake  
Board General

**Consumer Advocate**  
Adrienne H.Y. Ding, O'Dea Earle  
Justin W. King, O'Dea Earle  
Consumer Advocate General

**Newfoundland Power Inc.**  
Dominic J. Foley  
Douglas W. Wright  
Regulatory Email

**IN THE MATTER OF** the *Public Utilities Act* (the “*Act*”); and

**IN THE MATTER OF** an application by Newfoundland Power Inc. for an Order pursuant to Sections 41 and 78 of the *Act*:

- (a) approving its 2027 Capital Budget; and
- (b) fixing and determining its 2025 rate base.

---

**Newfoundland and Labrador Hydro**

**Requests for Information**

**NLH-NP-013 to NLH-NP-019**

**August 27, 2026**

---

## **SUBSTATIONS**

**NLH-NP-013      Reference: “2027 Capital Budget Application,” Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.2, Substation Power Transformer Strategy; and response to Request for Information PUB-NP-008, pp. 3-4.**

In PUB-NP-008, Newfoundland Power states that the Gannett Fleming Service Life Study forecasts approximately three power transformer retirements annually through 2052, that the transformer fleet aligns with a 55-R3 survivor curve, and that the Study did not consider individual transformer condition.

**a)** Please confirm that the forecast of approximately three power transformer replacements per year through 2052 is derived from the Gannett Fleming Service Life Study, which found that Newfoundland Power’s transformer fleet aligns with a 55-R3 survivor curve. If not confirmed, please explain the basis for the forecast of approximately three replacements per year.

**b)** Please explain how the statistically forecast retirement rate of approximately three transformers per year is incorporated into Newfoundland Power’s capital planning, given that the Gannett Fleming forecast did not consider individual transformer condition.

**NLH-NP-014      Reference: “2027 Capital Budget Application,” Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.2, Substation Power Transformer Strategy, Appendices A-D; and response to Request for Information PUB-NP-012, pp. 1-2.**

Newfoundland Power states that it does not use prescribed Normal Degradation Index thresholds to determine when a transformer should be repaired, refurbished, or replaced, but that a Normal Degradation Index greater than 0.25 warrants further scrutiny and values above 0.60 highly correlate with units whose insulating paper is no longer capable of providing reliable service.

Please identify, for each year since Newfoundland Power began utilizing EPRI Power Transformer Expert System (“PTX”), the number of in-service power transformers that: (i) had a PTX Normal Degradation Index greater than 0.25; (ii) had a PTX Normal Degradation Index greater than 0.60; (iii) had abnormal PTX condition indices; (iv) received a Code 2 or greater assessment from dissolved gas or oil analysis; and (v) were identified through

physical condition assessment as having deterioration that warranted consideration of refurbishment or replacement. For each category, please identify how many of those transformers were subsequently refurbished, replaced, or continued in service.

NLH-NP-015 **Reference: “2027 Capital Budget Application,” Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.2, Substation Power Transformer Strategy, Appendices A-D; and response to Request for Information PUB-NP-012, pp. 1-2.**

Newfoundland Power states that PTX indices provide a measure of the likelihood that normal degradation or abnormal conditions exist within a transformer and that PTX results are used, together with other condition information, in transformer replacement decision making.

Please provide the relationship, if any, between each transformer condition index produced by PTX and the probability of transformer failure. Where Newfoundland Power or EPRI has established probability-of-failure values, ranges, or correlations corresponding to PTX index values, please provide those values and the supporting documentation. If no such relationship has been established, please confirm.

NLH-NP-016 **Reference: “2027 Capital Budget Application,” Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.3, Portable Substation, pp. 5 and 9-13; and response to Request for Information CA-NP-041, pp. 1-2.**

In CA-NP-041, Newfoundland Power states that its assessment identified forecast periods when demand for portable substations exceeds the capacity of the existing fleet, based on planned transformer replacements, other substation capital work, maintenance activities, and emergency response requirements.

Newfoundland Power also states that it does not recommend reducing the planned pace of approximately three transformer replacements per year.

Assuming Newfoundland Power completed an average of two planned power transformer replacements per year over the 2027–2031 period rather than three, would the additional portable substation proposed in the 2027 Capital Budget Application still be required? If yes, please provide the analysis demonstrating the requirement, including forecast portable substation utilization under the two-replacement-per-year scenario.

NLH-NP-017 **Reference: “2027 Capital Budget Application,” Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.2, Substation Power Transformer Strategy, Appendices A-D; and Appendix B, LBK-T1 Power Transformer Replacement, p. 8.**

For LBK-T1, Newfoundland Power states that the replacement transformer and new spill containment foundation will be installed while the existing transformer remains in service. Planned power transformer replacements are also identified as a material driver of forecast portable substation utilization.

- a) For each power transformer replacement proposed in the 2027 Capital Budget Application, please identify whether Newfoundland Power assessed an installation arrangement whereby the existing transformer could remain in service until the replacement transformer was installed and ready for changeover, thereby reducing or eliminating the duration of portable substation deployment.
- b) Where such an arrangement was assessed, please provide the results, including any incremental capital cost and reduction in portable substation utilization. Where it was not assessed, please explain why not.

#### **DISTRIBUTION**

NLH-NP-018 **Reference: “2027 Capital Budget Application,” Newfoundland Power Inc., May 29, 2026, 2027 Capital Budget Overview, pp. 6-8; Supporting Materials, Distribution: 1.1, Distribution Reliability Initiative; and response to Request for Information CA-NP-028, pp. 1-3.**

Newfoundland Power states that its 2016–2025 normal-operations SAIDI averaged approximately 2.6 hours per year compared with an Electricity Canada Region 2 average of approximately 4.2 hours per year, while its Distribution Reliability Initiative targets feeders whose reliability is worse than Newfoundland Power’s corporate average.

- a) Please identify each capital project proposed by Newfoundland Power during the period 2017–2026 for which reliability performance was cited as a material justification and, at the time the project was proposed: (i) the applicable SAIDI and/or SAIFI exceeded Newfoundland Power’s corporate average; but (ii) the applicable SAIDI and/or SAIFI was equal to or better than the corresponding

Electricity Canada Region 2 average. For each such project, please provide the project name, year proposed, applicable reliability metrics, Newfoundland Power corporate averages, Electricity Canada Region 2 averages, and approved capital expenditure.

- b)** If Newfoundland Power considers feeder-level and Electricity Canada Region 2 reliability metrics not directly comparable for this purpose, please explain the reasons and identify what external benchmark, if any, Newfoundland Power considers appropriate for assessing whether reliability on an individual feeder is objectively poor.

**NLH-NP-019 Reference: “2027 Capital Budget Application,” Newfoundland Power Inc., May 29, 2026, 2027–2031 Capital Plan, pp. 7-9; Schedule B, Reconstruction, pp. 41-42 and Rebuild Distribution Lines, pp. 50-51; and response to Request for Information CA-NP-046, pp. 1-2.**

Newfoundland Power states that industry experience indicates an average expected useful service life of 54 years for distribution wooden support structures, that approximately 16% of its distribution wooden support structures have exceeded 54 years in service, and that a further 19% will reach 54 years in service over the next decade. Newfoundland Power also states that the risk of distribution equipment failure is currently high due in part to the age of its electrical system. In CA-NP-046, Newfoundland Power states that survivor curves from its 2019 Depreciation Study are used for financial purposes and are not used as formal asset-class-specific models of failure probability.

- a)** Please identify the survivor curve and average service life currently used for Newfoundland Power’s distribution wooden support structures for depreciation purposes, including the Iowa curve designation, if applicable, and explain the relationship between that curve and the 54-year average expected useful service life cited in the 2027–2031 Capital Plan.
- b)** Please confirm that an average service life of 54 years does not represent an age at which an individual distribution wooden support structure is presumed to have reached end of life or to require replacement. If not confirmed, please explain.

- 1           c) Given that approximately 16% of Newfoundland Power's distribution wooden  
2           support structures have exceeded 54 years in service, please explain the basis for  
3           Newfoundland Power's statement that the distribution system is exposed to a high  
4           risk of equipment failure due in part to asset age. In the response, please distinguish  
5           between risk attributable to the age profile of the pole population and risk  
6           supported by inspection or condition information.
- 7           d) Please provide the percentage of distribution wooden support structures expected  
8           to remain in service beyond 54 years under the applicable survivor curve and  
9           explain whether Newfoundland Power has compared the actual age and retirement  
10          experience of its distribution wooden support structures with that survivor curve. If  
11          such a comparison has been completed, please provide it. If not, please explain why  
12          not.

**DATED** at St. John's, in the Province of Newfoundland and Labrador this 27th day of August 2026.

Shirley A. Walsh  
Senior Legal Counsel, Regulatory  
Newfoundland and Labrador Hydro  
500 Columbus Drive P.O. Box 12400  
St. John's, NL A1B 4K7  
Telephone: (709) 685-4973  
Email: shirleywalsh@nlh.nl.ca