

SECTION A

NEWFOUNDLAND & LABRADOR HYDRO

2006 CAPITAL BUDGET - OVERVIEW

(\$,000)

	Exp To 2005	2006	Future Years	Total
GENERATION	3,624	9,245	4,530	17,399
TRANSMISSION & RURAL OPERATIONS	0	17,404	522	17,926
GENERAL PROPERTIES	5,975	14,987	220	21,182
ALLOWANCE FOR UNFORESEEN EVENTS	0	1,000	0	1,000
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TOTAL CAPITAL BUDGET	<u>9,599</u>	<u>42,636</u>	<u>5,272</u>	<u>57,507</u>

NEWFOUNDLAND & LABRADOR HYDRO
2006 CAPITAL BUDGET - SUMMARY BY CATEGORY

(\$,000)

	Exp To 2005	2006	Future Years	Total
GENERATION				
NEW GENERATION SOURCE				
Feasibility Studies	0	1,937	33	1,970
HYDRO PLANTS				
Construction Projects	496	2,829	0	3,325
Tools & Equipment	0	39	0	39
THERMAL PLANT				
Construction Projects	3,128	3,866	4,497	11,491
Property Additions	0	275	0	275
Tools & Equipment	0	57	0	57
GAS TURBINES				
Construction Projects	0	242	0	242
TOTAL GENERATION				
	<u>3,624</u>	<u>9,245</u>	<u>4,530</u>	<u>17,399</u>
TRANSMISSION & RURAL OPERATIONS				
TRANSMISSION	0	3,837	0	3,837
SYSTEM PERFORMANCE & PROTECTION	0	292	0	292
TERMINALS	0	858	0	858
DISTRIBUTION	0	7,406	0	7,406
GENERATION	0	3,467	522	3,989
GENERAL				
Metering	0	114	0	114
Properties	0	134	0	134
Tools & Equipment	0	1,296	0	1,296
TOTAL TRANSMISSION & RURAL OPERATIONS				
	<u>0</u>	<u>17,404</u>	<u>522</u>	<u>17,926</u>

NEWFOUNDLAND & LABRADOR HYDRO
2006 CAPITAL BUDGET - SUMMARY BY CATEGORY

(\$,000)

	Exp To 2005	2006	Future Years	Total
GENERAL PROPERTIES				
INFORMATION SYSTEMS & TELECOMMUNICATIONS	5,975	12,492	220	18,687
TRANSPORTATION	0	1,733	0	1,733
ADMINISTRATIVE	0	762	0	762
TOTAL GENERAL PROPERTIES	<u>5,975</u>	<u>14,987</u>	<u>220</u>	<u>21,182</u>
ALLOWANCE FOR UNFORESEEN EVENTS	0	1,000	0	1,000
TOTAL CAPITAL BUDGET	<u>9,599</u>	<u>42,636</u>	<u>5,272</u>	<u>57,507</u>

**NEWFOUNDLAND & LABRADOR HYDRO
GENERATION
2006 CAPITAL BUDGET - DETAIL**

(\$,000)

PROJECT DESCRIPTION	Exp To 2005	2006	Future Years	Total	In-Ser Date	Explanation Page Ref.
NEW GENERATION SOURCE						
GENERATION PROJECTS						
Island Pond Development - Feasibility Update		998		998	Nov. 06	B-5
Portland Creek Development - Final Feasibility Study		796		796	Nov. 06	B-7
Wind Generation Inventory Study		143	33	176	Jul. 07	B-9
TOTAL GENERATION PROJECTS	<u>0</u>	<u>1,937</u>	<u>33</u>	<u>1,970</u>		
HYDRO PLANTS						
CONSTRUCTION PROJECTS						
Replace Penstock - Snook's Arm Generating Station	118	1,992		2,110	Nov. 06	B-119 (1)
Replace Unit 1 Governor Controls - Cat Arm	378	311		689	Dec. 06	B-119 (2)
Upgrade Controls Spherical Valve #6 - Bay d'Espoir		200		200	Jul. 06	B-11
Replace Underground Fuel Tank - Cat Arm Powerhouse		137		137	Nov. 06	B-13
Remote Operation of Fisheries Comp. By-Pass Valve - Granite Canal		107		107	Aug. 06	B-15
Install Waste Oil Holding Tanks - BDE, USL, HLK & PRV		82		82	Oct. 06	B-19
TOTAL CONSTRUCTION PROJECTS	<u>496</u>	<u>2,829</u>	<u>0</u>	<u>3,325</u>		
TOOLS & EQUIPMENT						
Purchase & Replace T & E Less than \$ 50,000		39		39		
TOTAL TOOLS & EQUIPMENT	<u>0</u>	<u>39</u>	<u>0</u>	<u>39</u>		

**NEWFOUNDLAND & LABRADOR HYDRO
GENERATION
2006 CAPITAL BUDGET - DETAIL
(\$,000)**

PROJECT DESCRIPTION	Exp To 2005	2006	Future Years	Total	In-Ser Date	Explanation Page Ref.
<u>THERMAL PLANT</u>						
CONSTRUCTION PROJECTS						
Replace Superheater Unit 2 - Holyrood		319	2,818	3,137	Oct. 07	B-20
Upgrade Control Systems - Holyrood	2,515	316		2,831	Dec. 06	B-119 (3)
Addition of Disconnecting Means to 600 Volt MCC Branch Feeders -Holyrood	613	859	749	2,221	Dec. 07	B-119 (4)
Fire Protection Upgrades - Holyrood		916	930	1,846	Dec. 07	B-23
Replace Warm Air Make-Up Steam Coil - Holyrood		602		602	Sep. 06	B-25
HVAC Replacements - Relay, Control & Exciter Rms - Holyrood		565		565	Oct. 06	B-29
Study Regeneration Waste Treatment - Holyrood		172		172	Aug. 06	B-32
Modify Boiler Protection and Control - Holyrood		117		117	Nov. 06	B-34
TOTAL CONSTRUCTION PROJECTS	3,128	3,866	4,497	11,491		
PROPERTY ADDITIONS						
Replacement of Paging System - Holyrood		275		275	Oct. 06	B-36
TOTAL PROPERTY ADDITIONS	0	275	0	275		
TOOLS & EQUIPMENT						
Purchase & Replace Tools & Equipment Less than \$ 50,000	0	57	0	57		
TOTAL TOOLS & EQUIPMENT	0	57	0	57		
<u>GAS TURBINES</u>						
CONSTRUCTION PROJECTS						
Replace Automatic Voltage Regulator - Hardwoods		242		242	Nov. 06	B-38
TOTAL CONSTRUCTION PROJECTS	0	242	0	242		
TOTAL GENERATION	3,624	9,245	4,530	17,399		

**NEWFOUNDLAND & LABRADOR HYDRO
TRANSMISSION & RURAL OPERATIONS
2006 CAPITAL BUDGET - DETAIL
(\$,000)**

PROJECT DESCRIPTION	Exp To 2005	2006	Future Years	Total	In-Ser Date	Explanation Page Ref.
<u>TRANSMISSION</u>						
Wood Pole Line Management - Various Sites		2,303		2,303	Dec. 06	B-39
Replace Insulators TL231 - (230kV Bay d'Espoir - Stoney Brook)		917		917	Sep. 06	B-41
Upgrade Corner Brook Frequency Converter		617		617	Nov. 08	B-43
TOTAL TRANSMISSION	0	3,837	0	3,837		
<u>SYSTEM PERFORMANCE & PROTECTION</u>						
Upgrade 138 kV and 66 kV Protection Systems - Bottom Brook		109		109	Oct. 06	B-45
Replace Data Collection and Monitoring System - Hawke Hill		56		56	Dec. 06	B-47
Install Feeder Backup Protection - Happy Valley		48		48	Oct. 06	
Install Feeder MW Telemetry - Happy Valley		40		40	Oct. 06	
Upgrade Breaker Controls - BDE/BUC Terminal Station		39		39	Aug, 06	
TOTAL SYSTEM PERFORMANCE & PROTECTION	0	292	0	292		
<u>TERMINALS</u>						
Replace Insulators - Various Stations		307		307	Oct. 06	B-49
Replace Battery Chargers - Various Stations (BDE, DLK, GFC & WAV)		90		90	Oct. 06	B-51
Replace Air Compressor and Dryer - Grand Falls Frequency Converter Stn		80		80	Aug. 06	B-53
Replace Air Compressors - Holyrood Terminal Station		80		80	Aug. 06	B-55
Replace Instrument Transformers - Various Stations		78		78	Nov. 06	B-57
Replace Battery Bank - Various Stations (GBK,IRV,BDE)		72		72	Sep. 06	B-59
Replace Surge Arrestors - Various Stations		70		70	Nov. 06	B-61
Install Transformer Oil Monitoring System - Upper Salmon		53		53	Oct. 06	B-63
Install RIGD (Remote Ice Growth Detection) Beam - Various Stations		28		28	Dec. 08	
TOTAL TERMINALS	0	858	0	858		

**NEWFOUNDLAND & LABRADOR HYDRO
TRANSMISSION & RURAL OPERATIONS
2006 CAPITAL BUDGET - DETAIL
(\$,000)**

PROJECT DESCRIPTION	Exp To 2005	2006	Future Years	Total	In-Ser Date	Explanation Page Ref.
<u>DISTRIBUTION</u>						
Upgrade Distribution Feeders - Various Locations		2,017		2,017	Oct. 06	B-65
Provide Service Extensions		1,984		1,984	Dec. 06	B-68
Upgrade Distribution Systems		1,912		1,912	Dec. 06	B-70
Replace Insulators - Various Locations		1,020		1,020	Oct. 06	B-72
Replace Poles - Various Locations		332		332	Oct. 06	B-74
Purchase and Install Voltage Regulator L7 - Happy Valley		122		122	Oct. 06	B-76
Install Substation P.T. - Mary's Harbour		19		19	Nov. 06	
		-----		-----		
TOTAL DISTRIBUTION	0	7,406	0	7,406		
<u>GENERATION</u>						
Construct New Diesel Plant - St. Lewis		2,227		2,227	Oct. 06	B-78
Installation of Fall Arrest Equipment - Various Locations		268	522	790	Dec. 06	B-81
Replace Diesel Generation Units - Various Locations		663		663	Oct. 06	B-83
Replace Control Panel - Rigolet		135		135	Nov. 06	B-85
Install NOx Monitor - Little Bay Islands		106		106	Aug. 06	B-86
Replace Generating Unit Breakers - Francois, Grey River, Little Bay Islands		68		68	Nov. 06	B-87
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TOTAL GENERATION	0	3,467	522	3,989		

SECTION A

**NEWFOUNDLAND & LABRADOR HYDRO
TRANSMISSION & RURAL OPERATIONS
2006 CAPITAL BUDGET - DETAIL
(\$,000)**

PROJECT DESCRIPTION	Exp To 2005	2006	Future Years	Total	In-Ser Date	Explanation Page Ref.
GENERAL						
METERING						
Purchase Meters & Equipment - All Service Areas		93		93	Dec. 06	B-88
Purchase Metering Spares		21		21	Dec. 06	
TOTAL METERING	<u>0</u>	<u>114</u>	<u>0</u>	<u>114</u>		
PROPERTIES						
Legal Survey of Distribution Line Right-of-Ways - Various Sites		50		50	Oct. 06	B-89
Replace Waste Oil Storage Tank - Ramea		29		29	Oct. 06	
Construct Line Material Storage Shed - Black Tickle		28		28	Oct. 06	
Construct Sewage Disposal Field - Charlottetown		17		17	Oct. 06	
Construct Storage Ramp - L'Anse au Loup		10		10	Oct. 06	
TOTAL PROPERTIES	<u>0</u>	<u>134</u>	<u>0</u>	<u>134</u>		
TOOLS & EQUIPMENT						
Replace Off Road Track Vehicles - Various Locations		636		636	Apr. 06	B-91
Purchase & Replace Tools & Equipment Less than \$ 50,000	0	386		386		
Replace Light Duty Mobile Equipment Less than \$ 50,000		274		274		
TOTAL TOOLS & EQUIPMENT	<u>0</u>	<u>1,296</u>	<u>0</u>	<u>1,296</u>		
TOTAL GENERAL	<u>0</u>	<u>1,544</u>	<u>0</u>	<u>1,544</u>		
TOTAL TRANSMISSION & RURAL OPERATIONS	<u>0</u>	<u>17,404</u>	<u>522</u>	<u>17,926</u>		

**NEWFOUNDLAND & LABRADOR HYDRO
GENERAL PROPERTIES
2006 CAPITAL BUDGET - DETAIL
(\$,000)**

PROJECT DESCRIPTION	Exp To 2005	2006	Future Years	Total	In-Ser Date	Explanation Page Ref.
<u>INFORMATION SYSTEMS & TELECOMMUNICATIONS</u>						
SOFTWARE APPLICATIONS						
Infrastructure Replacement						
Replace Energy Management System - Energy Control Centre	4,856	5,382		10,238	Jul. 06	B-120 (5)
New Infrastructure						
Applications Enhancements		946		946	Dec. 06	B-93
Cost Recovery CF(L)Co		(165)		(165)		
Upgrade of Technology						
Corporate Applications Environment		592		592	Dec. 06	B-96
Cost Recovery CF(L)Co		(36)		(36)		
Network Management Tools		48		48		
TOTAL SOFTWARE APPLICATIONS	<u>4,856</u>	<u>6,767</u>	<u>0</u>	<u>11,623</u>		
COMPUTER OPERATIONS						
New Infrastructure						
Peripheral Infrastructure Replacement		199		199	Dec. 06	B-99
Security - Personal Firewalls		47		47	Dec. 06	
Cost Recovery CF(L)Co		(9)		(9)		
Security - Scan, Block & Quarantine		46		46	Dec. 06	
Cost Recovery CF(L)Co		(9)		(9)		
TOTAL COMPUTER OPERATIONS	<u>0</u>	<u>274</u>	<u>0</u>	<u>274</u>		

**NEWFOUNDLAND & LABRADOR HYDRO
GENERAL PROPERTIES
2006 CAPITAL BUDGET - DETAIL
(\$,000)**

PROJECT DESCRIPTION	Exp To 2005	2006	Future Years	Total	In-Ser Date	Explanation Page Ref.
<u>INFORMATION SYSTEMS & TELECOMMUNICATIONS</u>						
NETWORK SERVICES						
Infrastructure Replacement						
Replace VHF Mobile Radio System	2,915	5,473		8,388	Dec. 06	B-120 (6)
Cost Recovery - Department of Transportation and Works	(1,796)	(1,796)		(3,592)		
Replace Power Line Carrier TL240 - Happy Valley - Churchill Falls		189	220	409	Oct. 07	B-100
Microwave Site Refurbishing - Bay d'Espoir Hill and Blue Grass Hill		407		407	Dec. 06	B-101
Replace Battery System - Multiple Sites		404		404	Dec. 06	B-103
Replace Remote Terminal Units - Various Sites		351		351	Dec. 06	B-105
West Coast Communications Study - Engineering Design		175		175	Dec. 06	B-107
Replace Telephone Isolation Equipment - Happy Valley		57		57	Dec. 06	B-109
Video Conferencing for Regional Offices - H Valley , P Saunders & Holyrood		49		49	Dec. 06	
Network Infrastructure						
Communications Network Technology			97	97	Dec. 06	B-110
Upgrade of Technology						
Upgrade Site Facilities		45		45	Sep. 06	
TOTAL NETWORK SERVICES	<u>1,119</u>	<u>5,451</u>	<u>220</u>	<u>6,790</u>		
TOTAL INFORMATION SYSTEMS & TELECOMMUNICATIONS	<u>5,975</u>	<u>12,492</u>	<u>220</u>	<u>18,687</u>		

**NEWFOUNDLAND & LABRADOR HYDRO
GENERAL PROPERTIES
2006 CAPITAL BUDGET - DETAIL
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PROJECT DESCRIPTION	Exp To 2005	2006	Future Years	Total	In-Ser Date	Explanation Page Ref.
ADMINISTRATIVE						
Vehicles						
Replace Vehicles - Various Locations		1,733		1,733	Aug. 06	B-112
ADMINISTRATION						
Construct New Warehouse - Port Saunders		431		431	Oct. 06	B-114
Replace Storage Ramps - Bishop's Falls		159		159	Sep. 06	B-117
Purchase & Replace Admin Office Equipment Less than \$50,000		172		172		
TOTAL ADMINISTRATIVE	<u>0</u>	<u>2,495</u>	<u>0</u>	<u>2,495</u>		
TOTAL GENERAL PROPERTIES	<u>5,975</u>	<u>14,987</u>	<u>220</u>	<u>21,182</u>		