

1 Q. **Reference: Capitalization Process**

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3 With reference to the third slide of the Rate Mitigation presentation, entitled “Introduction
4 (continued)”, can Hydro, in its future Capital Budget Applications, aggregate in one section of
5 the supporting evidence to the Application all the deferral opportunities that were analysed for
6 that Application and found not to have been justified for the Application, describing each
7 deferred project/capital expenditure, providing a detailed explanation for its deferral, the time
8 period for which it is expected the project/capital expenditure will be deferred, and the
9 estimated capital costs savings arising from the deferral?

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12 A. Newfoundland and Labrador Hydro (“Hydro”) is committed to providing relevant information
13 necessary to allow the Board of Commissioners of Public Utilities and interested parties to
14 understand the nature, scope, and justification for individual expenditures and the capital
15 budget overall.

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17 In future Capital Budget Applications, Hydro intends to provide an overview of the review
18 process it undertakes regarding the assessment of deferral opportunities. The aforementioned
19 inclusion of additional information is suggested recognizing that a review of the Capital Budget
20 Guidelines is currently ongoing and may change the final information that will be included in the
21 2021 Capital Budget Application and subsequent capital budget applications.