

1 **Q. (Reference Application Schedule B, Replace Vehicles and Aerial Devices 2022 – 2023,**
2 **page 70 of 99) It is stated “Detailed evaluation of the units to be replaced will take place**
3 **to confirm they have reached the end of their service lives.” Why were the evaluations**
4 **not carried out before requesting capital funding for replacement?**
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6 A. The *Replace Vehicles and Aerial Devices 2022-2023* project filed in Newfoundland
7 Power’s *2022 Capital Budget Application* proposes capital expenditures associated with
8 replacing vehicles and aerial devices in 2022 and 2023. The *2022 Capital Budget*
9 *Application* was filed in May 2021.

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11 Detailed evaluations of vehicles are typically completed during the year in which the
12 vehicles are eligible to be replaced. This is to ensure vehicle conditions are accurately
13 assessed immediately prior to being considered for replacement. The amount of time that
14 would pass between evaluations completed in early 2021, when the *2022 Capital Budget*
15 *Application* was being prepared, and actual vehicle replacements in 2022 and 2023 could
16 require that most evaluations be completed again. This would introduce an inefficiency
17 into the budget process.