

1 Q. **Reference: Application**

2 Please provide a table identifying each project/program in the 2023 capital budget, its cost and
3 the customers that are required to pay for the project; i.e., Island Interconnected, Labrador
4 Interconnected and Rural/Isolated. In cases when more than one customer group is required to
5 pay for a project/program, please identify the share of the cost paid by each.

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8 A. Please refer to CA-NLH-007, Attachment 1 for a breakdown of the 2023 Capital Budget
9 Application proposed projects and programs by customer. The expenditures listed are totals for
10 newly proposed investments in 2023.

11 CA-NLH-007, Attachment 1 identifies projects being completed in rural deficit areas. The
12 allocation of costs to be recovered from the different customers is listed in Table 1.

**Table 1: Rural Deficit Areas
Estimated Allocation Costs**

System	System Cost¹	Rural Deficit²
Island Isolated	15%	85%
Labrador Isolated	24%	76%
Island Rural Interconncted	70%	30%

¹ The average revenue to cost ratio in the 2019 Test Year which represents the portion of costs to be recovered through rates. The balance of the cost is recovered through rural deficit.

² The rural deficit is allocated to Newfoundland Power Inc. and Labrador Interconnected customers in the same proportion as the 2019 Cost of Service Study, which is 96.1% and 3.9% respectively.

Table 1: 2023 Capital Budget Application Proposed Projects and Programs by Customer

CBA Project Description	Customer	Total Expenditure (\$000)	Rural Deficit System
Hydraulic Unit Overhaul Program (2023)	Common	975.7	
Hydraulic In-Service Failures (2023)	Common	1,500.0	
Upgrade Public Safety Around Dams and Waterways (2023)	Common	482.1	
Replace Diesel Genset 1 (2023-2024) - Ebbegunbaag	Common	1,026.3	
Water System Condition Assessment and Upgrades (2023) - Bay d'Espoir	Common	665.9	
Refurbish Superstructure (2023-2024) - Salmon River Spillway	Common	2,828.3	
Unit 7 Condition Assessment (2023) - Bay d'Espoir	Common	597.5	
Replace Powerhouse Station Service Panel (2023-2024) - Upper Salmon	Common	1,568.5	
Replace Emergency Lift (2023) - Salmon River Spillway	Common	49.8	
Thermal In-Service Failures (2023)	Common	3,300.0	
Boiler Condition Assessment and Miscellaneous Upgrades (2023) - Holyrood	Common	2,926.6	
Overhaul Pumps (2023) - Holyrood	Common	742.4	
Overhaul Unit 2 Turbine and Valves (2023) - Holyrood	Common	9,701.8	
Refurbish BioGreen Sewage System (2023) - Holyrood	Common	256.6	
Refurbish Workshop Roof (2023) - Holyrood	Common	243.7	
Gas Turbine In-Service Failures (2023)	Common	344.2	
Replace Oil Mist Separator (2023-2024) - Happy Valley Gas Turbine	Common	400.6	
Replace Human Machine Interface (2023) - Happy Valley Gas Turbine	Common	138.6	
Purchase Tools and Equipment Less than \$50,000 (2023) - Hydraulic Plants	Common	144.9	
Purchase Tools and Equipment Less than \$50,000 (2023) - Thermal Plants	Common	55.1	
Purchase Tools and Equipment Less than \$50,000 (2023) - Gas Turbine	Common	18.3	
Terminal Station Renewal Program (2023-2024)	Common	5,830.5	
Terminal Station Renewal Program (2023-2024)	Hydro Rural	851.6	
Terminal Station Renewal Program (2023-2024)	IOC	109.4	
Terminal Station Renewal Program (2023-2024)	Braya	417.6	
Terminal Station Renewal Program (2023-2024)	Newfoundland Power	109.1	
Terminal Station In-Service Failures (2023)	Common	1,222.0	
Terminal Station In-Service Failures (2023)	Hydro Rural	78.0	Island Rural
Major Condition Assessment and Miscellaneous Refurbishments Synchronous Condenser 1 and 2 (2023-2024) - Wabush Terminal Station	Common	1,093.3	
Circuit Breakers Renewal Program (2023-2024)	Common	3,814.5	
Circuit Breakers Renewal Program (2023-2024)	IOC	1,463.4	
Replace Data Alarm System Annunciators (2023) - Buchans	Common	166.0	
Install Breaker Failure Protection (2023-2024) - Sunnyside	Common	289.7	
Replace Circuit Breaker Reclosing Controllers (2023-2024) - Hardwoods	Common	231.2	
Install Fire Protection in 230 KV Stations (2023-2024) - Deer Lake	Common	614.5	
Replace Terminal Station Lighting (2023-2024)	Common	766.0	
Replace Terminal Station Lighting (2023-2024)	Hydro Rural	151.4	Island Rural
Additions for Load Growth - Upgrade Transformer Capacity (2023-2024) - Jean Lake Terminal Station	Hydro Rural	6,016.1	
Install Oil Spill Containment Transformer TIS (2023-2024) - Cat Arm	Common	581.6	
Wood Pole Line Management Program (2023)	Common	2,259.5	
Wood Pole Line Management Program (2023)	Hydro Rural	564.9	Island Rural
Transmission In-Service Failures (2023)	Common	151.7	
Provide Service Extensions (2023)	Common	3,646.9	
Provide Service Extensions (2023)	Hydro Rural	317.1	Labrador Isolated
Distribution System In-Service Failures, Miscellaneous Upgrades, and Street Lights (2023)	Common	3,986.0	Dependent on Location of Failures
Upgrade of Worst-Performing Distribution Feeders (2023-2024)	Hydro Rural	1,446.0	Island Rural
Diesel Genset Replacement Program (2023-2025)	Hydro Rural	3,376.1	Labrador Isolated
Overhaul Diesel Units (2023)	Hydro Rural	1,502.0	Labrador Isolated
Diesel In-Service Failures (2023)	Hydro Rural	480.4	Labrador Isolated
Replace Building Exterior (2023-2024) - Postville	Hydro Rural	683.3	Labrador Isolated
Replace Intermediate Fuel Storage Tanks (2023-2024) - Nain	Hydro Rural	721.1	Labrador Isolated
Replace HVAC System (2023-2024) - Bishop's Falls	General Plant and Vehicles	172.2	
Upgrade Water and Fire Suppression Systems (2023-2024) - Bishop's Falls	General Plant and Vehicles	3,240.0	
Replace Diesel Shop Building (2023-2025) - Bishop's Falls	General Plant and Vehicles	2,312.0	

CBA Project Description	Customer	Total Expenditure (\$'000)	Rural Deficit System
Purchase Meters and Metering Equipment (2023)	Common	226.6	
Purchase Tools and Equipment Less than \$50,000 (2023) - Central Region	Hydro Rural	281.4	Island Rural
Purchase Tools and Equipment Less than \$50,000 (2023) - Northern Region	Hydro Rural	355.2	Island Rural
Purchase Tools and Equipment Less than \$50,000 (2023) - Labrador Region	Hydro Rural	372.3	
Replace Mobile Equipment (2023-2024)	General Plant and Vehicles	728.5	
Perform Software Upgrades and Minor Enhancements (2023)	General Plant and Vehicles	451.2	
Update Cyber Security Infrastructure (2023)	General Plant and Vehicles	232.1	
Purchase Personal Computers (2023)	General Plant and Vehicles	221.6	
Replace Peripheral Infrastructure (2023)	General Plant and Vehicles	187.4	
Upgrade Core OT Infrastructure (2023)	General Plant and Vehicles	171.7	
Purchase Tools and Equipment Less than \$50,000 (2023) - Telecontrol	General Plant and Vehicles	40.4	
Replace 48 V Battery Banks and Chargers (2023)	General Plant and Vehicles	439.7	
Replace Network Communications Equipment (2023)	General Plant and Vehicles	189.0	
Upgrade Site Facilities (2023)	General Plant and Vehicles	45.2	
Purchase Mobile Devices (2023)	General Plant and Vehicles	83.4	
Replace Remote Terminal Units (2023)	General Plant and Vehicles	179.7	
Replace Standalone PBX Phone Systems (2023)	General Plant and Vehicles	175.5	
Replace Power Line Carrier (2023-2024) - TL223 and TL224	Common	957.7	
Replace Light- and Heavy-Duty Vehicles (2023-2025)	General Plant and Vehicles	4,366.0	
Purchase Office Equipment Less Than \$50,000 (2023)	General Plant and Vehicles	75.6	
Remove Safety Hazards (2023)	General Plant and Vehicles	198.2	
Allowance for Unforeseen Items (2023)	Common	1,000.0	