

1 Q. **Reference: Capital Expenditures and Carryover Report for the Year Ended December 31, 2022,**
2 **page 2**

3 It is stated

4 Hydro will carryover approximately \$40.0 million of work into 2023 and beyond.

5 a) Please confirm that there was apparently no need to complete a substantial portion (at
6 least 25%) of the capital work included in the 2022 CBA in calendar year 2022.

7 b) Did the 2022 CBA state that the work included in the CBA was high priority, and needed
8 in 2022?

9 c) How will Hydro meet its mandate in 2023 given that \$40 million of work identified as
10 “needed and high priority” was not completed in 2022?

11 d) Will Hydro be able to complete the work included in the 2023 CBA in light of the \$40
12 million of work that has been carried over from 2022 to 2023? How much work in the
13 2023 CBA is likely to be carried over into 2024?

14 e) Has any of the work identified in the 2022 and 2023 CBAs been included in the 2024
15 CBA? How much work from 2022 and 2023 is likely to be carried over to 2024?

16 f) Does Hydro have adequate project execution staff to meet the work requirements set
17 out in the 2024 CBA as well as work carried over from 2022 and 2023?

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20 A. a) Please refer to Newfoundland and Labrador Hydro’s (“Hydro”) responses to NP-NLH-001
21 and CA-NLH-109 of this proceeding.

22 b) Please refer to Hydro’s responses to NP-NLH-001 and CA-NLH-109 of this proceeding. These
23 responses apply regardless of the priority level of the project or program.

24 c) Please refer to Hydro’s responses to NP-NLH-001 and CA-NLH-109 of this proceeding.

25 d) Please refer to Hydro’s response to NP-NLH-001 of this proceeding.

1 e) Many projects and programs span multiple calendar years. The 2024 budget estimate
2 amounts for projects and programs approved in previous capital budget applications, and
3 originally planned to continue in 2024, are included in the 2024 Capital Budget Application
4 (“CBA”) budget request. The already approved amounts from prior years are not included in
5 the 2024 CBA budget request amount. If any previously approved amounts are unspent but
6 still required in 2024, they will be reported as a carryover in Hydro’s annual Capital
7 Expenditures and Carryover Report. Where a material change to the estimate or schedule
8 for a particular project or program has been identified in advance of the 2024 CBA, Hydro
9 provided budget updates in the 2024 Capital Budget Overview of the 2024 CBA.¹

10 Please refer to Hydro’s response to NP-NLH-001 of this proceeding regarding carryover into
11 2024.

12 f) As outlined in Hydro’s response to NP-NLH-001 of this proceeding, Hydro reviews the
13 executability of work as a consideration in its annual capital planning process, including the
14 impact of known carried-over work. Hydro considered the capacity of its project execution
15 staff when planning the work scopes within its 2024 CBA. While recruitment and retention
16 continue is an ongoing concern for the organization generally, as noted in Hydro’s response
17 to CA-NLH-106 of this proceeding, Hydro continues its efforts to fill all necessary roles,
18 recognizing the employment market constraints that are occurring.

¹ “2024 Capital Budget Application,” Newfoundland and Labrador Hydro, rev. August 18, 2023 (originally filed July 12, 2023), sch. 1, sec. 6.0, pp. 24–35.