

1 Q. **Reference: Capital Expenditures and Carryover Report for the Year Ended December 31, 2022,**  
2 **page 25**

3 It is stated

4 The following scope items were cancelled following review of updated asset  
5 condition information indicating that the work was not immediately required.

6 Why was this review not completed prior to submitting the CBA?

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9 A. Newfoundland and Labrador Hydro (“Hydro”) does not submit a capital budget proposal for  
10 approval unless it is deemed necessary for the generation and transmission of safe, reliable  
11 power in the province, using the best information available at the time of the application. There  
12 are instances where testing cannot be performed in advance of approval by the Board of  
13 Commissioners of Public Utilities; therefore, high-level analysis is used to determine the scope  
14 of work before further detailed engineering design and analysis. As a result, this subsequent  
15 analysis may determine that planned work is no longer required. Capital plans are also updated  
16 due to changes in operational decisions that occur within the 12 months or more between the  
17 submission of a capital budget application and the execution of the work.