

1 **Q.** At page 8 of Tab 2.3, it states that if the requested CEA amendment is accepted, and  
2 the deadline for dealing with the equipment is extended until 2025, the phase-out  
3 can be completed over a 15 year period (2011-2025). It is then stated that, "This  
4 longer timeframe would put the Company in a better position to meet Environment  
5 Canada's regulatory requirements without drastically (*sic*) impacting the  
6 Company's annual capital budget expenditures." Please compare the capital budget  
7 estimates for completing the testing and expected remediation work prior to this  
8 2014 deadline with the more gradual (2011-2025) phase-out.

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10 **A.** Table 1 compares the impact on Newfoundland Power's forecast annual capital budget  
11 requirements through 2014 of (i) the current regulation deadline of 2014, with (ii) the  
12 CEA requested deadline of 2025.  
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**Table 1**  
**Comparative Cost of Requested PCB Regulation Amendment**  
**2011 to 2014**  
**(\$000s)**

<b>Year</b>	<b>2014 Deadline</b>	<b>2025 Deadline</b>
2011	1,500	1,500
2012	3,000	1,000
2013	5,000	1,000
2014	5,000	1,000

15 If the deadline for dealing with the equipment is extended until 2025, the testing and  
16 expected remediation work would be spread over the 15-year period to 2025.  
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18 In developing the *2011 PCB Removal Strategy*, Newfoundland Power has scheduled most  
19 testing in the early years and most replacement work in the later years. The capital  
20 expenditure proposed for 2011 represents the least-cost approach to compliance with the  
21 current regulation deadline of December 31, 2014.  
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23 Please refer to the Response to Request for Information CA-NP-4.