

1 Q. Re: 2013 Capital Projects Overview, Appendix “A” – 2013 Project Prioritization:  
2 Please discuss whether and, if so, how the use of project prioritization represents  
3 an improvement to Hydro’s capital budgeting process.  
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6 A. The project prioritization methodology is used to screen some of the projects under  
7 consideration for a given Capital Budget year. The prioritization process engages a  
8 wide range of Hydro personnel to determine which proposals should go forward.  
9 Previously, Hydro’s upper and middle management would make the decision. Now,  
10 asset managers and other field personnel are active stakeholders in evaluating the  
11 projects through the use of the prioritization method. The method allows for a  
12 structural quantitative and qualitative approach to evaluate the importance and  
13 need for the proposal in the year under review.