

1 Q. **Re: NLH Evidence, Section 3, page 3.23, lines 2-17.**

2 Please indicate whether or not any additional capital costs in relation to the
3 Labrador City upgrade are anticipated in future years. If they are, please specify
4 them in detail.

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7 A. The Labrador City Upgrade includes two separate projects: (1) a terminal station
8 upgrade; and (2) a distribution voltage conversion to 25 kV. The project to upgrade
9 terminal stations to 25 kV in Labrador City will be completed in 2013. The voltage
10 conversion project was to be completed by the end of 2013. All of the budgeted
11 dollars are expected to be spent by the end of 2013. However, this project will not
12 be complete. It will be proposed that this project be carried over into 2014 and
13 2015. Hydro intends to file a supplementary application in order to seek approval
14 for the additional funding and extend the project by two years.