

1 Q. **2012 Capital Plan**

2 On p. 6 it is stated that in 2011 significant effort was devoted to developing and
3 refining the 5 and 20 year capital plans and that Hydro expects “more robust” plans
4 will be developed with a general increase required in “sustaining capital”.

5 Describe the “significant effort” that Hydro took in 2011 on capital plans.
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8 A. In 2011, new processes were initiated with respect to capital plans. These
9 processes included:

- 10 a. More intensive review of proposed projects by teams representing both
- 11 asset management and engineering, aligned with the long-term Asset
- 12 Management strategy;
- 13 b. Continuation of the project prioritization review initiated in 2010;
- 14 c. Dedicated resources assigned to preparation of capital budgets, rather than
- 15 having many engineering staff developing many proposals; and
- 16 d. A gated delivery process emphasizing accountability for completion of tasks
- 17 throughout the capital budget process.

18 It should be noted that the 2012 capital proposals received the emphasis to date,
19 and the five- and twenty-year plans will receive focus as the year progresses.