

1 Q. **Reference: Volume I, 2022 Capital Budget Overview, page 13, lines 7 to 11.**

2 “Required refurbishment identified in 2021 inspections will be scheduled for 2023. This
3 is to introduce a one-year gap between inspections and the refurbishment activities that
4 are identified. This “gap year” will allow for better planning and more accurate cost
5 estimating going forward. This approach has resulted in a reduction in 2022 WPLM
6 expenditures relative to the prior five-year plan.”

7 Please confirm that there will always be 2 years between inspections and refurbishment activity
8 going forward in all future Capital Budget Applications. For example, inspections completed in
9 2022 will result in work being completed in 2024. If confirmed, what analysis has Hydro
10 completed to ensure that there will be no customer reliability or cost impacts associated with
11 the deferral of preventative maintenance activities?

12

13

14 A. Newfoundland and Labrador Hydro (“Hydro”) confirms that there will be two years between
15 inspections and refurbishment activity related to the Wood Pole Line Management Program
16 going forward, with the exception of cases whereby components are deemed unable to last
17 until the time of their planned refurbishment. In such cases, Hydro intends to continue to
18 replace or refurbish those poles in the current year.

19 Hydro does not consider the introduction of a gap year to be a deferral of preventative
20 maintenance activities as it will continue to complete the inspections on an annual basis. Poles
21 rejected in the field will continue to be analyzed with respect to reliability issues and, if rejected
22 after structural analysis, a recommendation to refurbish or replace will be made. As previously
23 noted, poles which are not expected to last until the time of planned refurbishment will
24 continue to be replaced or refurbished in the current year. Therefore, based on the outcome of
25 their inspection, the poles which are subject to the gap year would be expected to remain in
26 reliable condition until their scheduled refurbishment. Through its experience with the Wood
27 Pole Line Management Program since 2003, Hydro has developed a sound understanding of
28 degradation rates for transmission line components and does not anticipate that its transition to

1 a two-year cycle between inspection and planned refurbishment will negatively impact either
2 customer reliability or cost.

3 Additional information on Hydro's approach is also found in its response to PUB-NLH-008 of this
4 proceeding.