

1 Q. **Reference: Volume II, 2022 Capital Projects over \$500,000, Wood Pole Management**
2 **Program (2022), Appendix A, page A-1, Table A-1.**

3 Further to NP-NLH-005, please explain why Hydro’s Five-Year Capital Plan (2022-2026),
4 Appendix A, page A-8, does not include corresponding increases for the Wood Pole
5 Management Program in 2024, 2025 and 2026 to address the increased number of pole
6 replacements anticipated.

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9 A. With respect to NP-NLH-005, Newfoundland and Labrador Hydro (“Hydro”) notes that Appendix
10 A, page A-8 of the Five-Year Capital Plan (2022–2026),¹ shows upgrade work for L23 and L24 as a
11 stand-alone project in 2025 and upgrade work for TL 202 as a stand-alone project in 2026. As
12 these are steel tower transmission lines, they do not fit within the scope of the Wood Pole Line
13 Management Program.

14 Regarding the anticipated replacements identified in Appendix A, Table A-1 of the Wood Pole
15 Line Management Program report,² Hydro’s Five-Year Capital Plan (2022–2026) includes the
16 corresponding increases for the Wood Pole Line Management Program in 2024, 2025, and 2026
17 to address the increased number of pole replacements anticipated. For example, the 66 poles
18 that are estimated to be rejected during inspections in 2024 will be scheduled for replacement
19 in 2026 after the introduction of a “gap year.” The cost of these replacements is included in the
20 estimated budget of \$2,841,000 in 2026.

21 In addition to pole replacements, the estimated costs for the Wood Pole Line Management
22 Program include inspections and refurbishment of all components of Hydro’s wooden
23 transmission lines such as crossarms, cross bracing, knee bracing, hardware, etc. Therefore,
24 there is not a direct correlation between the number of poles rejected to the total cost of the
25 program for a given year. For example, the estimated budgets for 2025 and 2026 differ by less

¹ “2022 Capital Budget Application,” Newfoundland and Labrador Hydro, rev. September 17, 2021 (originally filed August 2, 2021), vol. I, sch. 2.

² “2022 Capital Budget Application,” Newfoundland and Labrador Hydro, rev. September 17, 2021 (originally filed August 2, 2021), vol. II, sch. 8, tab 12.

1 than 2% despite the fact that only 33 poles are estimated to be replaced in 2025 versus 66 in
2 2026. In this particular example, Hydro is estimating that approximately 130 crossarms will
3 require replacement in 2025 versus less than 40 in 2026, explaining the comparable overall
4 budget estimates for these years.