

1 Q. **Reference: Application**

2 What changes have been made in the 2025 CBA in response to Hydro's capital budget  
3 performance in 2023?

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6 A. For the 2025 Capital Budget Application ("CBA"), Newfoundland and Labrador Hydro ("Hydro")  
7 has made substantial process improvements around resource analysis and schedule  
8 adjustments related to supply chain challenges in order to positively impact execution  
9 performance. Hydro has undertaken a thorough review of its current schedule of resource levels  
10 in comparison to the proposed budget, to best position Hydro to complete its CBA with current  
11 resources, and to help reduce carryover where appropriate. Similarly, Hydro has increased some  
12 project durations where supply chain challenges have been prevalent (vehicles, diesel gensets,  
13 terminal station equipment, etc.) which Hydro anticipates will aid in managing an appropriate  
14 level of carryover. Please refer to Hydro's response to PUB-NLH-006 of this proceeding for  
15 further information.