Q. Reference: 2025 Capital Budget Application, Program 2, Upgrade Worst-Performing
Distribution Feeders (2025-2027), page 1, lines 13 to 14.

Hydro indicates that it has combined the scope of this program with the Renew Distribution Feeders program. Please explain how upgrades to worst-performing distribution feeders conforms with the definition of program as established in the Provisional Guidelines.

A. The Upgrade Worst-Performing Distribution Feeders Program is classified as a Service Enhancement Program, aimed at improving the reliability of poor-performing feeders. The 2025–2027 program includes the refurbishment of the English Harbour West Line 1 ("EHW-L1") feeder, which was prioritized through the examination of reliability performance data and confirmed as requiring upgrades to the existing infrastructure based on recent condition assessments. The EHW-L1 feeder was also selected for refurbishment under the Renew Distribution Feeders Program following annual inspections.

Newfoundland and Labrador Hydro ("Hydro") categorizes upgrades to its worst-performing distribution feeders as a program, as they are high volume and are repetitive with regards to the scope, justification, and frequency of execution. The components identified for like-for-like replacement or refurbishment are anticipated to continue operation in a reliable condition for the foreseeable future. The combining of these scopes was the result of the EHW-L1 feeder being identified for both programs; rather than select a different feeder for renewal under the Renew Distribution Feeders Program, Hydro decided to pause the Renew Distribution Feeders Program for one year and address EHW-L1 in the Worst-Performing Feeder Program. Hydro belives that the scope of work identified for renewal of EHW-L1 constitutes a component of the Upgrade Worst-Performing Distribution Feeders Program. Combining both scopes of work into a single project under the 2025-2027 Upgrade Worst-Performing Distribution Feeders Program provides administrative, regulatory, and execution efficiency.

¹ The Renew Distribution Feeders and Upgrade Worst-Performing Distribution Feeders Program scopes for the EHW-L1 feeder in 2025 both include a focus on replacing deteriorated poles and crossarms.