

1 Q. Reference: Schedule 1 2025 Capital Budget Overview, page 2.

2 Hydro states that the proposals totalling \$135.7 million represent an increase in capital
3 expenditures in 2025. In Hydro’s 2024 Capital Budget Overview the forecast for the 2025 capital
4 expenditures was \$97.3 million. This represents an increase of \$38.4 million, or a 39% increase.
5 Please explain why Hydro was unable to maintain the lower budget amount for 2025.

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8 A. In its 2024 Capital Budget Application (“CBA”), Newfoundland and Labrador Hydro (“Hydro”)
9 incorrectly labelled 2024 forecast expenditures of \$97.3 million as forecast 2025 expenditures in
10 its original submission. This chart was updated as part of revision 1 to Hydro’s 2024 CBA. The
11 forecasted expenditures for the 2025 CBA in Hydro’s 2024 Capital Budget Overview was
12 \$200 million as shown in the revised Chart 1 from Hydro’s 2024 Capital Budget Overview.

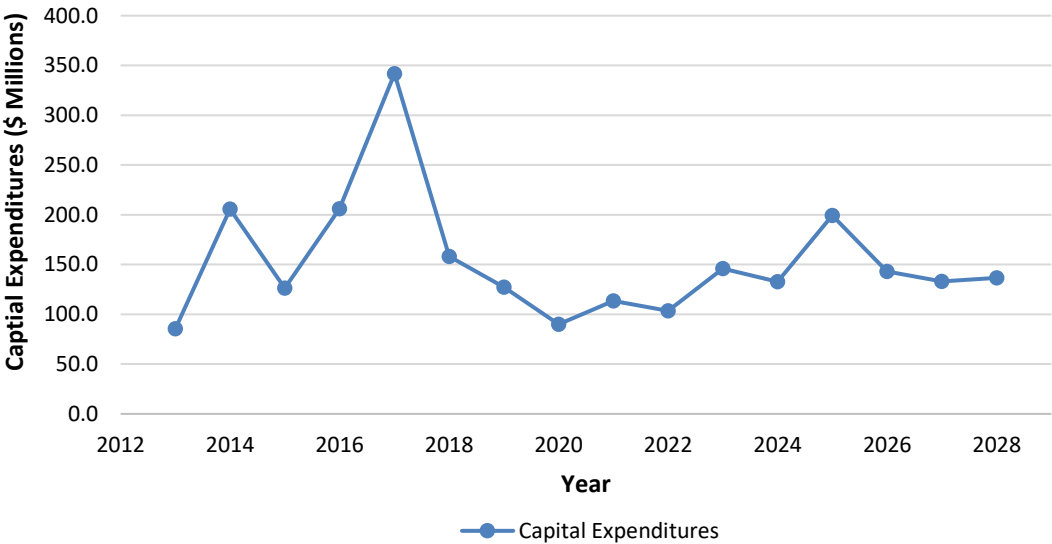


Chart 1: Historical, Budget, and Forecast Capital Budget Expenditure