Reference: Program 16 Purchase Tools and Equipment (2025), page 4. 1 Q. 2 Hydro states that the increased expenditures in 2025 are primarily due to increased live line 3 work in 2025, replacement of deteriorated tools or equipment, and retired safety equipment. 4 a) Is there an increase in the normal purchases related to replacement of deteriorated 5 tools or equipment and safety equipment for 2025? If so, please explain. 6 b) Given the reasons for the material increase in expenditures in 2025 relative to past 7 experience, please explain why the expenditures for 2026 to 2029 are projected to be 8 the same as 2025. 9 10 11 A. a) Normal purchases related to the replacement of deteriorated tools or equipment and safety 12 equipment fluctuate year-to-year to meet evolving system needs; the increase in purchases 13 for this program in 2025 is primarily driven by the inclusion of tools and equipment to support live-line work. 14 15 b) The noted increase in live-line work for the Transmission and Rural Operations operating group is anticipated to continue through the forecasted period of 2026–2029, and 16 Newfoundland and Labrador Hydro therefore anticipates the continued need for increased 17 budgets for the purchase of tools and equipment in comparison to historical levels. 18