Q. **Reference: Application, Schedule 1, pages 6–7; Board correspondence dated May 23, 2025 engaging EA Technology Ltd.**

Hydro states that an Asset Management Assessment was completed by the Board's consultant, EA Technology Ltd., in 2026; that a common asset-management system "*can take up to a decade to implement*"; that an updated Asset Management Policy is "*currently under executive review*"; and that, for some programs or projects, asset data required by the Guidelines, including asset condition, remaining life, or historical trending, "*may not be available.*"

a) Please file in this proceeding the EA Technology report; Hydro's written response listing each recommendation as accepted, rejected, or deferred, with the date; and the Asset Management Policy, or the date on which it will be issued.

b) Please list each 2027 project or program for which Hydro cannot produce Guideline-required asset condition, remaining life, or historical trending. For each, please identify the missing field and the year in which Hydro expects to have it.

c) Please provide the target in-service date, implementation milestones, and forecast cost of the common asset-management system. Explain how Hydro will meet the Provisional Guidelines until the required data are available.

A. **a)** The EA Technology report has not been issued publicly by the Board of Commissioners of Public Utilities; therefore, Newfoundland and Labrador Hydro ("Hydro") is unable to provide the information requested.

b) Please refer to CA-NLH-020, Attachment 1. Hydro believes it has met the requirements of the provisional Capital Budget Guidelines ("Guidelines")[1] with limited exceptions, which primarily are on projects or programs where the information required by the Guidelines are not applicable for the reasons stated.

[1] "Capital Budget Application Guidelines (Provisional)," Board of Commissioners of Public Utilities, January 2022.

c) Hydro notes that asset management improvement is a continual process, with no defined in-service date. Hydro also wishes to clarify that an asset management system, as defined by the ISO 55000 series of standards, is not a stand-alone software or asset; rather, it is a structured framework of policies, objectives, processes, responsibilities, information, controls, and governance an organization uses to direct and coordinate asset management activities. Hydro is therefore unable to provide the requested information.

2027 Project / Program	Guideline Information Not Available	Expected Availability
Perform Facilities Refurbishments (2027)	Hydro does not currently have complete quantified asset condition information for its full facilities portfolio. Forecast trending is also limited because condition assessments have only been completed for selected facilities.	Hydro anticipates completing additional condition assessments in 2028 to further inform the program.
Purchase Tools and Equipment (2027)	Hydro does not maintain Guideline-form asset-count and average-unit-cost trending for this program. Hydro instead provides budget trending by business group, as individual asset tracking is of limited value and an average unit cost is not meaningful given the heterogeneous nature of the assets.	Hydro has not identified a specific year in which this information will be available and does not expect to produce it in this form.
Modify Office Buildings and Procure Furniture, Fixtures, and Equipment (2027)	Hydro does not have full historical trending for this program, particularly average unit cost by asset. The program commenced in 2025, and an average unit cost is not meaningful given the diverse scope of work.	Hydro has not identified a specific year in which average-unit-cost trending will be available and does not currently expect to produce it in this form.
Thermal In-Service Failures (2027)	Hydro cannot identify in advance the asset-specific condition or remaining life for the assets that will require work under this program in 2027. Guideline-form average-unit-cost trending is also not applicable.	No fixed year is applicable. The relevant asset information becomes available when an unexpected or incipient failure is identified.
Hydraulic In-Service Failures (2027)	Hydro cannot identify in advance the asset-specific condition or remaining life for assets that may fail or exhibit an incipient failure in 2027. Average-unit-cost trending is not applicable.	No fixed year is applicable. The relevant asset information becomes available when the failure or incipient failure is identified.
Terminal Station In-Service Failures (2027)	Hydro cannot identify in advance the asset-specific condition or remaining life for assets that may require work under this program in 2027. Average-unit-cost trending is not applicable.	No fixed year is applicable. The specific asset information becomes available as failures or incipient failures are identified.
Diesel In-Service Failures (2027)	Hydro cannot identify in advance the asset-specific condition or remaining life for assets that may require work under this program in 2027. Average-unit-cost trending is not applicable.	No fixed year is applicable. The specific asset information becomes available when failures or incipient failures are identified.
Combustion Turbine In-Service Failures (2027)	Hydro cannot identify in advance the asset-specific condition or remaining life for unplanned work that may arise under this program in 2027. Average-unit-cost information is not applicable.	No fixed year is applicable. The work scope and relevant asset information are established following a failure or identification of an incipient failure.
Distribution System In-Service Failures and Miscellaneous Upgrades (2027)	Hydro cannot identify in advance the asset-specific condition or remaining life for future unplanned work under this program. Average-unit-cost trending is not applicable.	No fixed year is applicable. The affected asset information becomes available when failures or other unplanned requirements arise.