

1 **Q. (Reference Application) If the Board were to authorize a fixed amount of capital**
2 **expenditure(s) by Newfoundland Power in 2022 that is less than \$109,651,000 and if**
3 **the Board were to do so without rejecting any particular proposed capital**
4 **expenditure(s), would Newfoundland Power have the judgement, expertise and tools**
5 **to determine what of its proposed 2022 capital expenditures can be accommodated**
6 **within that fixed amount of capital expenditures considering both work priority and**
7 **execution capability?**

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9 A. Newfoundland Power has the judgement, expertise and tools necessary to determine
10 which capital expenditures are required for 2022 to meet its obligations under the *Public*
11 *Utilities Act* and the *Electrical Power Control Act, 1994*. All capital expenditures
12 proposed by the Company for 2022 are necessary to meet these obligations.

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14 The authorization of a fixed amount of capital expenditures in 2022 that is not based on
15 the individual capital expenditures proposed in the application would amount to an
16 arbitrary cap on capital expenditures. For Newfoundland Power's view on this matter,
17 see response to Request for Information CA-NP-110.