

1 **Q. (Reference Application, 2022 Capital Plan, pages 33 to 35, Risks to Planned**
2 **Expenditures) Please identify risks associated with the planned expenditures for the**
3 **CSS replacement project.**

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5 A. The *CSS Replacement* project is the result of multiple years of planning and assessment.¹
6 The Company's plan to replace the system by 2023 was developed to manage potential
7 risks to customers. These potential risks were explained in detail as part of
8 Newfoundland Power's *2021 Capital Budget Application*.

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10 As examples, the Company's detailed assessment and planning will help manage project
11 execution risks by ensuring its requirements for a replacement solution are fully
12 understood and implemented in a manner consistent with industry best practices.² The
13 timeframe for executing the project will help manage project execution risks by ensuring
14 the system is replaced prior to the Company's support capacity diminishing.³ The third-
15 party procurement advisor will help manage project execution risks by ensuring the
16 selection of the least-cost solution that meets Newfoundland Power's requirements.⁴

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18 As the project continues to be executed according to plan and budget, the Company has
19 not documented additional risks associated with the planned expenditures.

¹ See Newfoundland Power's *2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan*.

² This included assessments of Newfoundland Power's business processes, applications and data quality, among others. See Newfoundland Power's *2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, Attachment A*.

³ For information on how Newfoundland Power has ensured adequate capacity is available to execute the project, see response to Request for Information NLH-NP-031.

⁴ For information on the scope of work for the procurement advisor, see response to Request for Information CA-NP-052.