

1 **Q. Reference: “2022 Capital Budget Application,” Newfoundland Power, May 18,**
2 **2021, Volume 1, Section 4.2, Feeder Additions for Load Growth at p.3 footnote 5**
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4 **Did Newfoundland Power undertake a cost-benefit analysis comparing the net**
5 **present value of upgrading the two-phase section of PUL-03 compared to that of the**
6 **selected alternative? If yes, please provide. If not, why not?**
7

8 A. No, Newfoundland Power did not undertake a cost benefit analysis comparing the net
9 present value of upgrading the two-phase section of PUL-03 compared to that of the
10 selected alternative.
11

12 Newfoundland Power completed a cost benefit analysis that directly compared the costs
13 of the alternatives. The cost of each alternative only required expenditures in 2022 and
14 there are no foreseeable differences in future cost requirements that would impact the
15 alternative chosen. When all cost differences between alternatives occur in the same
16 year, there is no requirement for conducting a net present value analysis to assess which
17 alternative is least cost.