

- 1 **Q.** (Reference Application Schedule B, Transmission Line 146L Rebuild, page 82)
 2 It is stated "*The Transmission Line 146L Rebuild project will mitigate risks to*
 3 *the delivery of reliable service to customers supplied by the Central*
 4 *Newfoundland 138 kV looped transmission network.*"
- 5 a) Please confirm that this statement is not based on a quantified analysis of
 6 the risk of deferring this project until 2026/27 relative to carrying out the
 7 project in 2024/25 because NP is unable to quantify risk.
- 8 b) Is the risk assessment in Table 2 relevant to this point in time, or 2024/25
 9 when the project is completed, or some other time frame?
- 10 c) The risk assessment in Table 2 indicates that the consequence of failure is
 11 "critical (5)". Has the consequence of failure changed in the past 3 years?
 12 Is the consequence of failure likely to change over the next 3 years?
- 13 d) The risk assessment in Table 2 indicates that the probability of failure is
 14 "likely (4)". Had the assessment been undertaken 3 years ago would the
 15 probability of failure have been ranked "likely"? Three years from now
 16 would the probability of failure continue to be ranked "likely" if
 17 transmission line maintenance continues and any failures that arise are
 18 addressed under programs designed to address in-service failures?
- 19 e) Please provide evidence that this program is needed to supply customers in
 20 an environmentally responsible manner.
- 21
- 22 A. a) This statement is based on the risk matrix methodology, as outlined in the *2024*
 23 *Capital Budget Overview*.¹ The risk matrix was used to evaluate the potential
 24 consequences of not completing the *Transmission Line 146L Rebuild* project and the
 25 probability of those consequences occurring if the project did not proceed.
- 26
- 27 b) The risk assessment in Table 2 is relevant to the point in time when the condition
 28 assessment was completed.
- 29
- 30 c) Newfoundland Power does not quantify risk increases year over year. The
 31 evaluation of the consequence of failure is based on the Company's risk assessment
 32 methodology. The primary consequence to customers of a failure Transmission Line
 33 146L was identified to be reliability. Transmission Line 146L is a critical component
 34 of the Central Newfoundland 138 kV transmission system.² Based on the criteria
 35 outlined in the risk matrix methodology, this results in a consequence value of four
 36 (4), or serious. For additional details on the consequence of failure over time, see
 37 the response to Request for Information CA-NP-045.
- 38
- 39 d) Generally, the probability of failure changes over time. See the response to Request
 40 for Information CA-NP-045 for a discussion of the probability of failure over time for
 41 Transmission Line 146L.
- 42
- 43 e) Newfoundland Power's *Transmission Line Rebuild Strategy* enables the provision of
 44 power to customers in an environmentally responsible manner. This includes: (i)
 45 ensuring all applicable projects undergo an environmental assessment; (ii) the

¹ See Newfoundland Power's *2024 Capital Budget Application, 2024 Capital Budget Overview, Appendix C.*

² See Newfoundland Power's *2024 Capital Budget Application, report 3.1 2024 Transmission Line Rebuild, page 8.*

1 creation of a project specific environmental protection plan to be used by the
2 Company and its contractors; and (iii) applying for and adhering to all conditions of
3 required permits and approvals.
4

5 For additional detail on how Newfoundland Power delivers power to customers in an
6 environmentally responsible manner, see the response to Request for Information
7 CA-NP-014.