

1 **Q. In the Capital Budget proposals, what independent verification is there to**
2 **support the proposal?**
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4 A. The Provisional Guidelines, when describing the requirement for Additional Supporting
5 Documentation states:
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7 *Where appropriate, the utility is expected to provide additional*
8 *information such as a report/analysis by a qualified engineer,*
9 *independent consultant, or other appropriate expert, to justify the project*
10 *and/or program. For projects greater than \$5 million the utility should*
11 *provide this additional information.*¹
12

13 Each of the engineering project reports in the *2024 Capital Budget Application* are
14 stamped and approved by internal qualified Professional Engineers. In situations where
15 Newfoundland Power does not have the internal expertise necessary, the Company
16 relies on third-party experts to complete an assessment and provide additional
17 information. For example, Newfoundland Power engaged a third-party consultant,
18 Kleinschmidt Canada Inc. to provide an inspection report for the *Mobile Hydro Plant*
19 *Surge Tank Refurbishment* project that involved a climbing inspection and assessment of
20 the corrosion present on the surge tank structure.

¹ See Part III of Appendix A of the Provisional Guidelines, page 17 of 18.