1	Refe	rence:	3.1 2024 Transmission Line Rebuild
2 3 4 5 6	Q.	What action has Newfoundland Power taken since the Transmission Line Rebuild Strategy was introduced in 2006 to assess whether the strategy h been effective and is consistent with good utility practice?	
7 8	Α.	А.	Transmission Line Rebuild Strategy
9 10 11		The <i>Transmission Line Rebuild Strategy</i> (the "Strategy") originally submitted with Newfoundland Power's <i>2006 Capital Budget Application</i> outlined a multi-year plan for rebuilding the Company's aging and deteriorated transmission lines.	
12 13 14 15 16 17		The St transm particu enviror	rategy was developed in response to the fact that many of the Company's ission lines were constructed in the 1940s, 50s and 60s, and not designed to any lar standard. These transmission lines were not engineered to withstand local mental conditions and are therefore susceptible to failure.
18 19 20 21 22		The Sta service the Co require lines; (rategy recognized the important role transmission lines play in providing reliable to a large number of customers. It outlined a structured approach to rebuilding mpany's oldest and most deteriorated transmission lines and established that ed rebuild projects would be prioritized based on: (i) the physical condition of (ii) the risk of failures; and (iii) the impact a failure would have on customers.
23 24 25 26		This Strategy continues to be reviewed as part of the Company's annual capital budge application to prioritize rebuild projects based on the methodology outlined in the plan while incorporating updated inspection data.	
27 28 29		В.	Effectiveness of the Strategy
30 31 32 33 34 35 36 37 38 39 40		The eff lines in Power kilomet were c standa particu will hav remain transm	fectiveness of the Strategy can be demonstrated in the remaining transmission in the Strategy which were not designed to any particular standard. Newfoundland owns and operates 111 transmission lines, which span approximately 2,100 tres. In 2006, there were 34 transmission lines identified in the Strategy which onstructed in the 1940s, 50s and 60s, and not designed to any particular rd. This equates to approximately 31% of transmission lines not designed to any lar standard. At the end of 2024, approximately 85%, or 29 transmission lines, we been completed under the Strategy. There are five transmission lines ing to be addressed under the Strategy, which equates to approximately 5% of ission lines not designed to any particular standard.
41 42 43 44 45		The eff Compa the Str favoura service	fectiveness of the Strategy can also be demonstrated in the age profile of the any's transmission assets, particularly wooden support structures. As a result of rategy, the age profile of wooden support structures on the transmission system is able, with approximately 2% having exceeded the industry expected useful a life of 58 years. ¹ The execution of the Strategy has improved the age profile of

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¹ See Newfoundland Power's 2024 Capital Budget Application, 2024-2028 Capital Plan, page 11.

transmission wooden support structures through a structured approach to addressing the Company's oldest and most deteriorated transmission lines.

The Strategy includes expenditures related to rebuilding sections of line and the selective replacement of deteriorated components. The selective replacement of deteriorated components is routinely conducted as part of the Company's annual inspection and maintenance practices. In some cases, the selective replacement of deteriorated components allows for life extension of transmission lines. As examples, the useful service lives of both transmission lines 302L and 49L were extended by approximately a decade through annual inspections and the selective replacement of deteriorated components. While such efforts can extend the useful service lives of transmission lines, they do not result in a line being constructed to current standards.

The Strategy has also been effective in ensuring the reliable operation of the Company's transmission lines in serving customers. Transmission lines are the backbone of the electrical system and are maintained to operate to a high standard of reliability. In the five-year period from 2018 to 2022, transmission and substation outages combined have contributed to an annual average of less than 30 outage minutes per customer. This reliability performance is the result of the execution of the Strategy and the annual implementation of the Company's *Transmission Inspection and Maintenance Practices*.²

Overall, the Strategy has allowed Newfoundland Power to maintain its electrical system in a manner consistent with the least-cost delivery of reliable service to customers.

C. Good Utility Practice

Newfoundland Power's transmission lines are inspected annually and follow the Company's *Transmission Line Inspection and Maintenance Practices*. These inspections identify preventative and corrective maintenance necessary to ensure the reliable operation of critical transmission assets.³

National construction standards are applied to ensure the Company's electrical system is constructed and maintained to withstand local climatic conditions. Newfoundland Power designs transmission lines to meet Canadian Standards Association ("CSA") standards

² Over the five-year period from 2003 to 2007, around the beginning of the implementation of the Strategy, transmission and substation outages combined contributed to an annual average of approximately 1 hour.

³ The most recent review of Newfoundland Power's asset management strategies was conducted in 2014 by The Liberty Consulting Group ("Liberty"). Liberty concluded, "*Inspectors appropriately prioritize deficiencies, and assign repairs in accordance with them. They verify the condition of wood transmission poles through sound and reasonably complete examination practices.*" See Liberty's *Report on Island Interconnected System to Interconnection with Muskrat Falls addressing Newfoundland Power Inc.*, December 17, 2014, page 50. Liberty also concluded, "*Newfoundland Power annually budgets various rebuild and modernization capital projects to address transmission, distribution, and substation reliability issues and to proactively address aged equipment condition and obsolescence issues. Annual capital strategies include measures (Transmission Rebuild Strategy, Rebuild Distribution Lines Projects, Distribution Reliability Initiative, and Substation Refurbishment and Modernization Strategy) well targeted to the needs of its equipment. Asset management strategies have promoted improved system reliability since 1998, while keeping annual capital T&D expenditures under control." See Liberty's <i>Report on Island Interconnected System to Interconnection with Muskrat Falls addressing Newfoundland Power Inc.*, December 17, 2014, page 51.

and guidelines outlined in CSA standard C22.3 – Overhead Systems. This standard 1 2 designates Newfoundland Power's service territory as either severe or heavy weather 3 loading areas. 4 5 Newfoundland Power's transmission design criteria ensures its transmission lines are 6 adequately designed and constructed to provide reliable service to its customers, 7 including the consideration of historical major weather events experienced within its service territory.⁴ 8 9 10 Newfoundland Power actively participates in several technical interest groups such as 11 the Centre for Energy Advancement through Technological Innovation to maintain awareness and alignment with industry best practices. 12

⁴ For additional details, see the response to Request for Information NLH-NP-019.