

1 **Q. (Reference Application, Schedule B, page 30) Why was the cost of the**  
2 **Relocate/Replace Distribution Lines for Third Parties program so high in**  
3 **2024? Did NP consider removing it from the calculation of the historical**  
4 **average?**  
5

6 A. The forecast cost of \$3,766,000 for the *Relocate/Replace Distribution Lines for Third*  
7 *Parties* program in 2024 reflects the capital budget amount approved by the Board in  
8 Order No. P.U. 2 (2024) and the Company's forecast cost expectations for this program  
9 in 2024.<sup>1</sup> As such, the Company did not consider it reasonable to exclude it from the  
10 calculation of the historical average.

11  
12 This program is necessary to accommodate third-party requests to relocate or replace  
13 distribution lines. These requirements result from work initiated by third parties such as  
14 government agencies, telecommunications companies and individual customer requests.  
15 Work requirements can vary from year to year depending on the number of requests  
16 received.

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<sup>1</sup> See Newfoundland Power's *2025 Capital Budget Application, 2024 Capital Expenditure Status Report*, page 3 of 8.