Q. (Reference Application, Schedule B, Substations) Please confirm that all 1 2 projects included in the substation refurbishment and modernization program are "required to provide reliable service to customers at the lowest possible 4 cost." 5 6 Substation Refurbishment and Modernization projects are required to provide customers Α. 7 with access to safe and reliable service, in an environmentally responsible manner, at 8 the lowest possible cost. 9 10 Refurbishment and modernization projects address aged, deteriorated and obsolete substation equipment, which reduces in-service failures and ensures compliance with 11 current industry standards and good utility practices. Substation infrastructure is critical 12

to electrical system reliability as unplanned substation outages can result from failure of this infrastructure, affecting thousands of customers. In the *2025 Capital Budget Application*, Newfoundland Power is proposing to refurbish and modernize Northwest Brook ("NWB"), Summerville ("SMV") and Lockston ("LOK") substations. These substations contain a significant amount of aged, deteriorated and obsolete equipment.

18 Refurbishing and modernizing these substations will ensure the continued provision of safe and reliable service to customers supplied by NWB, SMV and LOK substations.

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For more information, see the response to Request for Information CA-NP-115.