

- 1 **Q. (Reference PUB-NP-045)**  
2 **a) Please confirm that Newfoundland Power intends to increase capital spending by**  
3 **25.7% in the 3-year period from 2024 to 2027. What is forecast inflation for the**  
4 **same time period?**  
5 **b) Does this forecast incorporate results from Newfoundland Power’s ongoing asset**  
6 **management system review? Is the asset management system review expected to**  
7 **increase or decrease capital spending?**  
8 **c) It is stated “Newfoundland Power’s areas of focus in its capital spending over the**  
9 **2024 to 2028 period reflect a continued focus on maintaining current levels of**  
10 **overall service reliability in light of increasing risk to reliability due to the age of**  
11 **the Company’s electrical system.” Is this area of focus driven by Newfoundland**  
12 **Power’s claim that the incremental cost of maintaining current levels of**  
13 **reliability is zero?**  
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15 **A. a) It is confirmed. Non-labour inflation is forecast to increase by 5% over the same time**  
16 **period.**  
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18 **b) No, the current forecast of capital expenditures outlined in the response to Request for**  
19 **Information PUB-NP-045 does not incorporate results from the Company’s ongoing**  
20 **asset management review.<sup>1</sup> Newfoundland Power is currently unable to forecast any**  
21 **changes to capital spending which may arise from the ongoing review. Any changes**  
22 **in capital spending would be included as part of future capital budget applications.**  
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24 **c) No. See the response to Request for Information PUB-NP-148.**

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<sup>1</sup> The Company’s five-year capital plan does incorporate the planned replacement of the Company’s core asset management technology, which has been in service for approximately two decades and is expected to reach end of life in 2026.