Page 1 of 1

Q. C. Douglas Bowman Report, page 10, lines 1-7, Recommendation #14. Mr. Bowman recommends that a distribution planning guideline be developed in 2024. In Mr. Bowman's opinion would the results from the ongoing asset management review be helpful in developing and implementing a new distribution planning guideline?

4 5 6

7

8

9

10 11

12

13

14

15

16

17

18

19

20

21

22

23

1 2

3

A. In its response to CA-NP-247a Newfoundland Power states "Essentially, the Company's asset management processes are related to the physical condition of assets, while its distribution planning processes are related to the electrical characteristics of equipment." Therefore, Newfoundland Power believes that asset management and distribution planning are separate processes. This is confirmed in PUB-NP-050 which states "Newfoundland Power is undertaking a review of its asset management practices to ensure its practices continue to be satisfactory given the age of its electrical system and remain consistent with industry best practices. The review will ensure that the Company effectively balances asset performance, cost and risk in order to provide safe and reliable service to customers in an environmentally responsible manner." Newfoundland Power anticipates a capital project for the system's replacement will be required no later than its 2025 Capital Budget Application (see Bowman Pre-filed Evidence, page 43). There is no mention of a project or undertaking to update Newfoundland Power's distribution planning process. Therefore, Newfoundland Power believes the asset management and distribution planning processes are separate undertakings. So does Mr. Bowman. In Mr. Bowman's opinion, the results from the ongoing asset management review are not needed to develop and implement a new distribution planning guideline.