Newfoundland and Labrador Hydro
Hydro Place. 500 Columbus Drive
P.O. Box 12400. St. John's. NL
Canada A1B 4K7
t. 709.737.1400 I f. 709.737.1800
nlhydro.com

July 6, 2026

Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Mike McNiven
Board Secretary

Re: Newfoundland Power Inc.'s 2027 Capital Budget Application – Requests for Information

Please find enclosed Newfoundland and Labrador Hydro's requests for information NLH-NP-001 to NLH-NP-012 in relation to Newfoundland Power Inc.'s 2027 Capital Budget Application.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Shirley A. Walsh
Senior Legal Counsel, Regulatory
SAW/mc

Encl.

ecc:

Board of Commissioners of Public Utilities
Jacqui H. Glynn
Ryan Oake
Board General

Consumer Advocate
Adrienne H.Y. Ding, O'Dea Earle
Justin W. King, O'Dea Earle
Consumer Advocate General

Newfoundland Power Inc.
Dominic J. Foley
Douglas W. Wright
Regulatory Email

IN THE MATTER OF the *Public Utilities Act* (the "*Act*"); and

IN THE MATTER OF an application by Newfoundland Power Inc. for an Order pursuant to Sections 41 and 78 of the *Act*:
(a) approving its 2027 Capital Budget; and
(b) fixing and determining its 2025 rate base.

Newfoundland and Labrador Hydro

Requests for Information

NLH-NP-001 to NLH-NP-012

July 6, 2026

SUBSTATIONS

NLH-NP-001 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.3, Portable Substation, pp. 5 and 13–15.**

Newfoundland Power states that approximately three power transformers on average are expected to be proactively retired annually and that the proposed additional portable substation will not replace any existing portable substations, but will provide an additional unit to address increasing demands on the fleet.

a) Does Newfoundland Power intend to increase the pace of power transformer replacements beyond approximately three replacements per year over the 2027-2031 forecast period? If so, please provide the expected annual number of replacements and the basis for that forecast.

b) If Newfoundland Power expects to increase the pace of power transformer replacements beyond approximately three per year, please explain whether additional portable substations, above the existing fleet and the portable substation proposed in the 2027 Capital Budget Application ("CBA"), would be required.

NLH-NP-002 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.3, Portable Substation, pp. 5, 9, and 11.**

Newfoundland Power states that its existing fleet of four portable substations has historically been adequate to meet operational requirements, while also noting that overlapping planned deployments have periodically reduced available fleet flexibility while maintaining emergency response coverage.

Please confirm whether Newfoundland Power has experienced any situation from 2021 to 2025 in which a portable substation was required for planned work or emergency response but no technically compatible portable substation was available. If confirmed, please provide the date, substation, affected equipment, duration, customer impact, and mitigation used.

NLH-NP-003 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.2, Substation Power Transformer Strategy, pp. 6 and Appendices A-D; and Supporting Materials, Substations: 2.3, Appendix A.**

Newfoundland Power's 2027 CBA proposes replacement of LAU-T1, LBK-T1, HAR-T1, and RRD-T3. The application indicates that suitable medium-term spare transformers are available for LAU-T1, HAR-T1, and RRD-T3, but not for LBK-T1.

a) For each of LAU-T1, LBK-T1, HAR-T1, and RRD-T3, please confirm whether Newfoundland Power currently has a suitable spare transformer available for temporary or medium-term service. Please identify the spare transformer by equipment ID and describe any limitations, including voltage, capacity, tap changer, physical configuration, site work, or competing uses.

b) Has Newfoundland Power considered using spare transformers in a temporary configuration as an alternative to portable substations to facilitate planned transformer replacements? If so, please provide the analysis completed. If not, please explain why this alternative was not assessed, including any civil, electrical, protection and control, cost, schedule, or reliability constraints.

NLH-NP-004 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.3, Portable Substation, pp. 5, 9-13.**

Newfoundland Power states that approximately three power transformers on average are expected to be proactively retired annually and that the planned replacement of approximately three power transformers per year will place additional pressure on the availability of Newfoundland Power's portable substation fleet. Newfoundland Power further states that procuring an additional portable substation is the recommended alternative to address the identified risks.

a) Has Newfoundland Power considered altering the timing or pacing of planned power transformer replacements, or other planned capital or maintenance activities, to mitigate the need for an additional portable substation? If so, please provide the analysis completed.

b) If Newfoundland Power has not considered altering the timing or pacing of planned power transformer replacements, or other planned capital or maintenance activities, please explain why this alternative was not assessed.

DISTRIBUTION

NLH-NP-005 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, sch. B, Distribution Feeder COB-02 Extension, pp. 7-8; and Transmission Line 114L Replacement and 142L Relocation, p. 109.**

Newfoundland Power states that the latest estimates for both the Distribution Feeder COB-02 Extension and the Transmission Line 114L Replacement and 142L Relocation projects are higher than initially estimated as part of the Gander-Twillingate Transmission System Planning Study. Newfoundland Power further states that the original NPV analysis was re-evaluated using the latest costs for both projects, and that the results confirm the recommended alternative remains least-cost.

Please provide the updated NPV analysis, including all assumptions, updated project costs by alternative, discount rate, study period, timing of capital expenditures, operating or maintenance cost impacts, reliability or voltage-related benefits included, and the results of any updated sensitivity analyses.

NLH-NP-006 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, Supporting Materials, Distribution: 1.1, Distribution Reliability Initiative, pp. 8-14.**

Newfoundland Power states that the 2027 Distribution Reliability Initiative targets two deteriorated off-road sections of distribution feeder GLV-02, and that the likely causes of poor reliability performance are: (i) deteriorated conductor; (ii) danger tree contacts; (iii) deteriorated poles, crossarms and insulators; and (iv) inaccessibility of line.

a) For each of the two affected sections of distribution feeder GLV-02, please provide a breakdown of all outages over the last 10 years by cause, including vegetation, conductor failure, pole/crossarm/insulator failure, wildlife, weather, lightning, planned outages, unknown/other, and any other outage cause categories tracked by Newfoundland Power.

b) For each outage identified in part (a), please provide the date, cause, duration, number of customers interrupted, customer minutes of interruption, and whether

the outage was attributable primarily to vegetation, asset condition, access constraints, or another cause.

NLH-NP-007 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, Supporting Materials, Distribution: 1.2, Feeder Additions for Load Growth, p. 5.**

Newfoundland Power states that an analysis of distribution feeder BLK-02 was completed using CYME Power Engineering software and verified using field load measurements. The analysis showed that the peak load on the identified single-phase section of the feeder is approximately 107 amps, exceeding Newfoundland Power's planning criterion of 85 amps for maximum current on a single-phase distribution line.

Please provide the maximum amperage observed through field load measurement on the identified single-phase section of distribution feeder BLK-02, including the date and time of measurement, measurement location, measurement duration, and whether the observed maximum was used to calibrate or validate the CYME model result of approximately 107 amps.

NLH-NP-008 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, Supporting Materials, Distribution: 1.2, Feeder Additions for Load Growth, p. 5.**

Newfoundland Power states that a preliminary cost estimate for the procurement of a battery storage solution for the BLK-02 application is approximately $557,000 and would have an expected lifetime of 15 years, corresponding to $1,029,000 on a net-present value basis.

Please provide the basis for the assumed 15-year expected lifetime of the battery storage solution, including any manufacturer information, industry studies, degradation assumptions, cycling assumptions, warranty assumptions, and replacement assumptions.

SUBSTATIONS

NLH-NP-009 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.1, Appendix B, Rattling Brook Substation Refurbishment and Modernization.**

Newfoundland Power states that disconnect switches installed in transmission and substation applications typically have an expected service life of approximately 30 years depending on operating conditions, maintenance practices, and manufacturer design specifications.

Please provide the basis for the assumed 30-year expected service life for disconnect switches, including any manufacturer guidance, industry standards, utility benchmarking, internal asset management criteria, historical failure data, maintenance history, or condition assessment results relied upon by Newfoundland Power.

NLH-NP-010 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.1, Appendix C, Mobile Plant Substation Refurbishment and Modernization, pp. 2-7.**

Newfoundland Power states that the approved replacement transformer for MOP-T1 has a larger physical footprint than the existing transformer and that, as a result, the current 66 kV pole arrangement cannot be reused. Newfoundland Power further states that the proposed Mobile Plant Substation Refurbishment and Modernization project represents the remaining infrastructure work required to enable installation of the approved replacement of MOP-T1.

a) When Newfoundland Power proposed the MOP-T1 Power Transformer Replacement project in its 2026 Capital Budget Application, were the costs of the required 66 kV and 6.9 kV structure modifications considered? If so, please explain how those costs were reflected in the project estimate, lifecycle cost analysis, or supporting justification.

b) If the 66 kV and 6.9 kV structure modifications are required to install the approved MOP-T1 replacement transformer, please explain why these modifications were not included within the scope and budget of the MOP-T1 Power Transformer Replacement project.

NLH-NP-011 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.2, Substation Power Transformer Strategy, Appendices C and D.**

Newfoundland Power states that the HAR-T1 Power Transformer Replacement project is planned to coordinate with a future Harmon Substation Refurbishment and Modernization project, and that the existing fused protection at HAR will be upgraded in 2028 and 2029 as part of that planned project. Newfoundland Power also states that RRD Substation is included in the Five-Year Capital Plan for a refurbishment and modernization project beginning in 2028, and that this work is planned to coordinate with the RRD-T3 Power Transformer Replacement project.

a) For each power transformer proposed for replacement in the 2027 Capital Budget Application, please identify any additional substation, protection and control, bus, switchgear, spill containment, civil, or related infrastructure work required to facilitate or complete the transformer replacement that is planned for a future capital budget application.

b) For any such work, please explain why it was not included within the scope and budget of the applicable transformer replacement proposal in the 2027 Capital Budget Application.

NLH-NP-012 **Reference: "2027 Capital Budget Application," Newfoundland Power Inc., May 29, 2026, Supporting Materials, Substations: 2.2, Appendix A, LAU-T1 Power Transformer Replacement, pp. 5-7.**

Newfoundland Power states that three portable substations can be installed as a short-term emergency response to offload LAU-T1, and that three spare power transformers are available for medium-term replacement of LAU-T1. Newfoundland Power further states that maintaining condition-based monitoring and deferring replacement until failure occurs is not considered a viable long-term strategy for LAU-T1.

a) Given the availability of three suitable portable substations and three suitable spare transformers for emergency response to an in-service failure of LAU-T1, please explain why replacement of LAU-T1 is required beginning in 2027.

b) Please explain how Newfoundland Power considered the availability of suitable portable and spare transformer resources in determining the timing and priority of

the LAU-T1 replacement relative to other proposed transformer replacements, and for transformer replacements in general.

DATED at St. John's, in the Province of Newfoundland and Labrador this 6th day of July 2026.

Shirley A. Walsh
Senior Legal Counsel, Regulatory
Newfoundland and Labrador Hydro
500 Columbus Drive P.O. Box 12400
St. John's, NL A1B 4K7
Telephone: (709) 685-4973
Email: shirleywalsh@nlh.nl.ca