

1 **Q. ENERGY SUPPLY**

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3 **PUB 38.0 (RE: B- 10, Hydro Plants Facility Rehabilitation, Volume II, Energy**
4 **Supply, Appendix I)**

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6 **PUB 38.4**

7 **Does the cost of work to be performed at “Lookout Brook” including the Upgrading**
8 **of Protection and Controls (Volume II, Energy Supply, Appendix 1, p.5, paragraph**
9 **(f) and Projects < \$50,000 (Appendix 1, p. 7, paragraph (h)) exceed \$50,00 in total,**
10 **and if so, why wouldn’t it be considered a separate “Project”.**

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12 A. The “Various Plants - Upgrade Protection and Controls” budget item contained in the
13 Hydro Plants - Facility Rehabilitation project includes a proposed expenditure of
14 \$139,900 for the Lookout Brook plant to replace older technology with modern
15 protection and control devices.

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17 The “Projects < \$50,000” budget item includes a proposed expenditure of \$33,000 to
18 refurbish a bridge at Lookout Brook, which is a minor expenditure that is necessary to
19 ensure the safety of persons using the bridge.

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21 The organization and presentation of Newfoundland Power’s capital budget applications
22 is intended to provide informative explanations of a wide variety of capital projects, and
23 the presentation is continually evolving in response to both the perceived information
24 requirements and the explicit orders of the Board. Although major plant refurbishment
25 projects are typically presented and justified as single projects, the considerations are
26 different than those associated with smaller expenditures on minor projects, particularly
27 those essential to the continued safe operation of viable facilities.

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29 Both of these budget items were contained in the Hydro Plants Facility Rehabilitation
30 project, and appropriately disclosed in the filing. Whether it is more appropriate to
31 aggregate budget items such as protection and controls, or to aggregate budget items by
32 plant is a matter of judgment.