

1 Q. **2012 Capital Plan**

2 On p. 6 it is stated that in 2011 significant effort was devoted to developing and
3 refining the 5 and 20 year capital plans and that Hydro expects “more robust” plans
4 will be developed with a general increase required in “sustaining capital”.

5 What does “more robust” capital plans mean and how do such plans compare to
6 past capital plans submitted to the Board?

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9 A. Please see the response to PUB-NLH-10 regarding the efforts expended in 2011
10 concerning development of capital plans. As part of that process, and in
11 conjunction with the continuation of a revised Asset Management Strategy, as
12 discussed in the response to PUB-NLH-16, gaps have been identified in the five- and
13 twenty-year plans. The duties of the newly launched 2010/2011 asset planning
14 personnel responsible for comprehensive, system-wide, long-term asset planning
15 include refining detailed refurbishment/replacement plans for homogeneous
16 groups of assets. Such long-term planning is more formalized, and the renewed
17 focus is strengthening the content of the capital plans. By building on the work
18 previously done, and by incorporating the above long-term planning enhancements,
19 five and 20 year plans will have improved clarity on scope project definition and
20 justification compared to past capital plans. This will, in turn, drive improved
21 prioritization, ensuring the right work is done for the right reasons at the right time.
22 This effort is currently in progress.