

- 1 **Q. Page 2-41, Table 2-14: Provide a brief explanation of the increase in substations**
 2 **expenditures from \$12.8 million in 2018F to \$17.1 million in 2020F.**
 3
 4 A. Forecast capital expenditures in Table 2-14 at page 2-41 for the period 2018F to 2020F
 5 are consistent with the 5-year capital plan in Appendix A of the *2018 Capital Plan* filed
 6 with the Company's 2018 Capital Budget Application.
 7
 8 The Substations capital plan consists of between 3 and 5 capital projects each year as
 9 shown in Table 1 below.

Table 1
Substations Capital Expenditures
2018F to 2020F
(000s)

Project	2018F	2019F	2020F
Substations Refurbishment and Modernization	\$8,001	\$8,713	\$8,972
Replacements Due to In-Service Failure	3,814	3,901	3,987
Additions Due to Load Growth	0	0	2,500
Substation Feeder Terminations	0	290	510
PCB Bushing Phase Out	973	987	1,120
Total – Substations	\$12,788	\$13,891	\$17,089

- 10 As shown in Table 1, the annual capital expenditures for the Substations Refurbishment
 11 and Modernization, Replacements Due to In-Service Failure and PCB Bushing Phase Out
 12 projects are consistent over the period. The additional \$4.3 million in 2020F is largely
 13 attributable to the requirement for an additional power transformer and the termination of
 14 2 new distribution feeders.