

1 Q. **Reference: Capitalization Process**

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3 With reference IC-NLH-006, can Hydro, in its future Capital Budget Applications, also aggregate
4 all non-deferral capital cost savings identified and implemented for that Application (or for the
5 Capital Budget year covered by that Application), describing the capital costs savings achieved?

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8 A. Newfoundland and Labrador Hydro (“Hydro”) is committed to providing relevant information
9 necessary to allow the Board of Commissioners of Public Utilities and interested parties to
10 understand the nature, scope, and justification for individual expenditures and the capital
11 budget overall.

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13 In preparation for future Capital Budget Applications, Hydro will analyze how it can assess and
14 report on non-deferral capital cost savings. The aforementioned assessment recognizes that a
15 review of the Capital Budget Guidelines is currently ongoing and may change the final
16 information that will be included in the 2021 Capital Budget Application and subsequent capital
17 budget applications.