

1 **Q. Reference: “2021 Capital Budget Application,” Newfoundland Power, July 9, 2020,**
2 **Volume 1, Schedule B, Rebuild Distribution Lines (Pooled) at p. 45–47.**

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4 **Please detail the reliability analysis, other than inspections, that Newfoundland**
5 **Power undertakes to support the rebuild of its distribution lines.**

6
7 A. The annual *Rebuild Distribution Lines* capital project involves the replacement of
8 individual components or sections of distribution plant due to visible deterioration,
9 damage, safety issues, or equipment prone to premature failure identified through
10 inspections.

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12 The principal focus of the *Rebuild Distribution Lines* project is to ensure the distribution
13 system is maintained in a safe and reliable condition.¹ As the project is focused on the
14 condition of the system, and not on achieving specific reliability levels, no reliability
15 analysis is carried out to support the project.²

¹ Expenditures that involve the replacement of plant for any reason will typically tend to improve reliability simply because newer plant is inherently more reliable than older plant.

² The *Rebuild Distribution Lines* project is based on the Company’s *Distribution Inspection and Maintenance* practices.