

1 Q. **Reference: Volume II, 2023 Capital Budget Application, Project 1, Additions for Load Growth –**  
2 **Upgrade Transformer Capacity (2023–2024) – Jean Lake Terminal Station, Attachment 1, page**  
3 **6, Table 3, and page 9, lines 12 to 16.**

4 Please provide net present value calculations for each of the four alternatives evaluated.

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7 A. A cost benefit analysis was not performed for this application because the rejected alternatives,  
8 or the other strategies for deferral, were screened out based on their significantly higher costs,  
9 impracticality, or unacceptable level of reliability, as described in Section 4.1 of the proposal.<sup>1</sup>  
10 The recommended upgrade would be the implementation of the final phase of the least-cost  
11 solution identified in Additions for Load – Wabush Substation Upgrades project, filed as part of  
12 Newfoundland and Labrador Hydro’s 2021 Capital Budget Application.<sup>2</sup> The load forecast  
13 increase advanced the need to implement this plan, which has a project cost of \$6,016,100  
14 (2022 dollars).<sup>3</sup>

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<sup>1</sup> “2023 Capital Budget Application,” Newfoundland and Labrador Hydro, July 13, 2022, vol. II, sch. 6, proj. 1, att. 1, sec. 4.1.

<sup>2</sup> “2021 Capital Budget Application,” Newfoundland and Labrador Hydro, rev. November 2, 2020 (originally filed August 2, 2020), vol. II, tab 16.

<sup>3</sup> As calculated in “2023 Capital Budget Application,” Newfoundland and Labrador Hydro, July 13, 2022, vol. II, sch. 6, proj. 1, p. 4, Table 2.