

1 **Reference: "2023 Capital Budget Application," Newfoundland Power Inc., June 29,**  
 2 **2022, 2023 Capital Budget Overview, p. 18, Table 4.**

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 4 **Q. How would the materiality of Programs greater than \$5 million change if**  
 5 **Newfoundland Power used a three-year average instead of a five-year**  
 6 **average to determine program budgets (e.g., Extensions program,**  
 7 **Reconstruction program)?**

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 9 A. Table 1 provides a comparison of the materiality of programs greater than \$5 million  
 10 using a five-year and three-year average.

Table 1 2023 Capital Budget by Materiality Programs Greater than \$5 million		
	Quantity of Programs	Total Expenditures (\$000s)
Five-Year Average	2	18,917
Three-Year Average	2	18,789
Change	0	-128

11 Using a three-year average for programs greater than \$5 million would reduce total  
 12 expenditures by \$128,000, or 0.1%. There would be no change to the quantity or  
 13 percentage of total expenditures.