

1 Q. **Reference: Application, Wood Pole Line Management Program (2023), page 9**

2 It is stated “The work completed varies based on the actual condition of the asset. In most
3 cases, the work completed on any one structure is not related to the work on the next structure
4 (e.g., one structure may require a pole replacement and the next structure may need a crossarm
5 or an insulator replacement).”

6 **a)** If testing determines that a wood pole requires replacement, does Hydro assume that all
7 wood poles on the line require replacement? Does the same logic apply to all elements of a
8 wood pole line? For example, if testing determines that a crossarm requires replacement
9 does Hydro assume that all crossarms on the line require replacement?

10 **b)** If Hydro determined that, for example, 50% of the wood poles on a transmission line were
11 deteriorated and required replacement, would Hydro replace the entire line or only the 50%
12 of the poles that were deteriorated and required replacement?

13 **c)** At what percentage of wood poles requiring replacement would Hydro replace the entire
14 line rather than only the poles that require replacement?

15 **d)** Given the limited number of transmission lines owned by Newfoundland Power, are there
16 efficiencies to be gained from having Hydro conduct all wood pole line management for
17 transmission lines in the province? Might Newfoundland Power contract out this activity to
18 Hydro?

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21 A. **a)** No. If one pole requires replacement, Newfoundland and Labrador Hydro (“Hydro”) does
22 not assume that all poles on the line require replacement. This is true of all elements of a
23 wood pole line. The decision to replace is based on the condition assessment for individual
24 structures and components only. For further discussion on replacement of lines with a high
25 pole-rejection rate, please refer to part b).

26 **b)** If 50% of the wood poles on a transmission line were found to be deteriorated through
27 condition assessment procedures established under the wood pole program, Hydro would

1 perform a cost-benefit analysis to determine whether the whole line should be replaced.
2 However, Hydro has never encountered such a high pole-rejection rate in a single inspection
3 cycle and does not expect to, based on condition assessments completed to date.

4 **c)** A detailed cost-benefit analysis would be required to determine the percentage that would
5 vary between lines. Pole rejection rates observed in the program are not high enough to
6 warrant such an analysis at this time. This analysis would include all line components and
7 not just wood poles, as some of these components may not be at the end of their useful life.

8 **d)** Hydro is unable to comment on whether there would be efficiencies to be gained if it were
9 to conduct all wood pole line management for transmission lines in the province. Hydro
10 believes the asset management approach utilized by Newfoundland Power Inc.
11 (“Newfoundland Power”) would have to be compared against Hydro’s asset management
12 approach for these assets and assessed for prudence. In its submission regarding
13 Newfoundland Power’s 2020 Capital Budget Application, Hydro submitted that
14 Newfoundland Power should reassess its practices to ensure the most accurate and
15 comprehensive information is obtained to justify future projects and to ensure its inspection
16 and maintenance practices are consistent with the provision of least-cost, reliable service.¹
17 Newfoundland Power submitted that it would be prudent to await the results of the second
18 of Hydro’s Wood Pole Line Management Program inspection cycles, which are scheduled for
19 completion by 2023, before determining whether a wood pole test and treatment program
20 is warranted for its transmission lines.² In Order No. P.U. 5(2020), the Board of
21 Commissioners of Public Utilities noted that, “. . . it may be appropriate for Newfoundland
22 Power to review its practices upon the completion of the second inspection cycle in relation
23 to Hydro’s test and treat program.”³

¹ “Newfoundland Power Inc.’s 2020 Capital Budget Application – Newfoundland and Labrador Hydro’s Submission,” Newfoundland and Labrador Hydro, December 4, 2019, p. 4.

² “Brief of Argument,” Newfoundland Power Inc., December 11, 2018, p. 37/21–23.

³ *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 5(2020), Board of Commissioners of Public Utilities, February 21, 2020, p. 22/25–27.