

1 Q. **Reference: Application, page 2, para. 2**

2 It is stated

3 No new leases with costs in excess of \$750,000 over the expected life of the  
4 lease are proposed for 2024.

5 Has leasing been considered as an alternative to any of the projects proposed in the  
6 Application? If not, why not? If so, please identify all projects where leasing was considered and  
7 provide the assessment used to determine that leasing was not the preferred alternative.

8

9

10 A. In the majority of cases, leasing is not a viable alternative to the projects executed within  
11 Newfoundland and Labrador Hydro's ("Hydro") capital program. The majority of Hydro's capital  
12 program relates to fixed assets such as high-voltage electrical equipment, distribution and  
13 transmission infrastructure, or generating plant infrastructure that is not suitable or available to  
14 lease. In cases of procurement of real property, such as accommodations in isolated  
15 communities, Hydro does consider leasing. As stated in "Purchase Accommodations Trailers  
16 (2024-2025),"<sup>1</sup> and further discussed in Hydro's response to PUB-NLH-052, Hydro will continue  
17 to solicit long-term leasing options prior to completing the purchase of accommodations.

---

<sup>1</sup> "2024 Capital Budget Application," Newfoundland and Labrador Hydro, rev. August 18, 2023 (originally filed July 12, 2023), sch. 6, proj. 8.