

1 Q. **Reference: Schedule 6, Program 13 Renew Distribution Feeders (2024-2025), Page 2, line 5–18**

2 It is stated that Hydro had discontinued its condition-based asset renewal program for
3 distribution feeders when it introduced its Worst-Performing Feeders program in 2019. Please
4 explain the factors Hydro considered in evaluating the need to re-introduce a condition-based
5 program and the process Hydro used in making the decision to re-instate the program. In
6 making the decision to re-instate the program did Hydro consider the practices of other
7 Canadian utilities?

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10 A. Newfoundland and Labrador Hydro (“Hydro”) considered several factors when evaluating the
11 need to re-introduce a condition-based asset renewal program for distribution feeders. Since
12 the termination of the former condition-based program in 2019, the number of deteriorated
13 distribution components continues to grow, as they are not being targeted under the existing
14 Worst-Performing Distribution Feeders program. It is anticipated that if the assets identified for
15 refurbishment were not addressed in the near future, it would create a growing backlog of
16 deficiencies that would present an increased risk to distribution system reliability. In addition, it
17 would create a safety hazard for workers and the public, as Hydro does not allow distribution
18 line components to remain in service until failure.

19 The proposed Renew Distribution Feeders (2024–2025) program¹ will allow Hydro to address
20 those feeders within a preventive maintenance program, to ensure that the assets are not being
21 operated to failure. This initiative will help to reduce corrective action work identified under the
22 Upgrade Worst-Performing Distribution Feeders (2024–2025) program² while ensuring higher
23 system reliability for customers.

¹ “2024 Capital Budget Application,” Newfoundland and Labrador Hydro, rev. August 18, 2023 (originally filed July 12, 2023), sch. 6, prog. 13.

² “2024 Capital Budget Application,” Newfoundland and Labrador Hydro, rev. August 18, 2023 (originally filed July 12, 2023), sch. 6, prog. 11.

1 Hydro observes that capital upgrades based on distribution asset conditions are common utility
2 practice; for example, Nova Scotia Power and Newfoundland Power Inc. both include asset
3 conditions in their methodologies for justifying distribution capital projects.