

1 Q. **Reference: Schedule 5 2024 Capital Expenditures Overview, page 7.**

2 Hydro states that the Upgrade Energy Management System (2024) program cannot be
3 completed in 2024 due to the vendor not being able to complete the work.

4 a) What risk is Hydro exposed to by not addressing until 2025 the security vulnerabilities
5 identified in the program?

6 b) Please identify where the Energy Management System software upgrades are included
7 in the 2025 Capital Budget Application?

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10 A. a) The Energy Management System software upgrades are planned on a two-year cycle and
11 the last completed upgrade was in 2023.¹ The next planned upgrade is expected to be
12 completed in 2026 under the proposed Upgrade Energy Management System (2025–2026)
13 Program. Newfoundland and Labrador Hydro (“Hydro”) will endeavor to expedite the
14 schedule for the next upgrade and complete it as early as possible within 2025–2026. Until
15 Hydro completes the required upgrades, the energy management system is at increased risk
16 of unplanned system outages that could affect the monitoring and control of the
17 transmission grid and generation facilities. In the meantime, Hydro has implemented an
18 extensive maintenance and monitoring program to ensure critical systems that make up this
19 solution are healthy and functioning as expected. These systems are backed up on a nightly
20 basis and placed in segmented networks to allow for the ability to contain and recover if an
21 incident were to occur. Hydro maintains support contracts with our vendor to secure urgent
22 assistance if required.

23 b) The Upgrade Energy Management System (2025–2026) Program can be found under the
24 Programs and Projects Under \$750,000 tab of the 2025 Capital Budget Application, under
25 the General Plant heading of the table on page 2 of 14.

¹ The last upgrade was completed under the Upgrade Energy Management System (2022) Program that carried over into 2023.