IN THE MATTER OF
the *Public Utilities Act,* (the *"Act")*;

AND

IN THE MATTER OF
capital expenditures and rate base of
Newfoundland Power Inc.;

AND

IN THE MATTER OF
an application by Newfoundland Power Inc. for
an order pursuant to Sections 41 and 78 of the Act:
(a) approving a 2022 Capital Budget of $109,651,000;
(b) approving certain capital expenditures related
to multi-year projects commencing in 2022; and
(c) fixing and determining a 2020 rate base of $1,181,897,000.

CONSUMER ADVOCATE
REQUESTS FOR INFORMATION
CA-NP-001 to CA-NP-116

Issued: July 13, 2021

CA-NP-001 (Reference Application) Please provide a table showing for each of the past 25 years the capital budget amounts proposed by Newfoundland Power in its capital budget applications, the corresponding amounts approved by the Board, and identifying the specific projects and budget amounts that were not approved along with the reasons given by the Board for rejecting the capital expenditure(s).

CA-NP-002 (Reference Application) Please provide a list of the dates for all hearings that the Board has held on Newfoundland Power capital budget applications in the past 25 years.

CA-NP-003 (Reference Application) Has the Board ever approved a capital budget envelope for Newfoundland Power rather than individual projects in a capital budget application? Has Newfoundland Power commissioned a legal opinion with respect to Board authority to approve a capital budget envelope under current legislation? If so, please file the legal opinion.

CA-NP-004 (Reference Application) If the Board were to authorize a fixed amount of capital expenditure(s) by Newfoundland Power in 2022 that is less than $109,651,000 and if the Board were to do so without rejecting any particular proposed capital expenditure(s), would Newfoundland Power have the judgement, expertise and tools to determine what of its proposed 2022 capital expenditures can be accommodated within that fixed amount of capital expenditures considering both work priority and execution capability?

CA-NP-005 (Reference Application) Please provide a detailed explanation as to how Newfoundland Power's proposed or planned capital budget expenditures between 2022 and 2026 coincide with, reflect, or were influenced by the September 23, 2020 statement by Fortis Inc. to its shareholders about its plan to expand the regulated rate base of its subsidiaries, of which Newfoundland Power is one, by 6% annually during the five-year period from 2021 to 2025. For the purpose of this RFI and various RFIs below, a copy of Fortis Inc's September 23, 2020 statement, titled 2021-2025 FIVE-YEAR OUTLOOK CONFERENCE CALL, is attached hereto. (See: Schedule "A".)

CA-NP-006 (Reference Application) Please provide a copy of all communications received by Newfoundland Power from Fortis Inc. concerning the September 23, 2020 statement by Fortis Inc. to its shareholders about its plan to expand the regulated rate base of its subsidiaries by 6% annually during the five-year period from 2021 to 2025.

CA-NP-007 (Reference Application) Please indicate whether Newfoundland Power, a wholly owned subsidiary of Fortis Inc., considers itself to be a subsidiary referenced in the September 23, 2020 statement by Fortis Inc. to its shareholders about its plan to expand the regulated rate base of its subsidiaries by 6% annually during the five-year period from 2021 to 2025.

CA-NP-008 (Reference Application) The response to CA-NP-005 relating to Newfoundland Power's 2021 Capital Budget Application states "*Newfoundland Power does not currently employ a methodology for prioritizing capital expenditures. As a result, there is no documentation to provide between senior management and line managers relating to prioritization and cost cutting, nor is there any documentation to provide from senior management relating to rate pressures brought on by the Muskrat Falls project.*"

a) Did Newfoundland Power employ a prioritization process for its 2022 Capital Budget Application? If so, please explain the prioritization process employed by Newfoundland Power.
b) Please provide all documentation between Newfoundland Power senior management and line managers with respect to the 2022 CBA relating to prioritization and cost efficiencies by Newfoundland Power.
c) Please provide any documentation from Newfoundland Power senior management to line managers with respect to the 2022 CBA relating to budget control in light of rate pressures brought on by the Muskrat Falls Project and the economic downturn.
d) If there is no such documentation, please explain how Newfoundland Power senior management communicated to line managers which capital projects were to be included in the 2022 CBA, and which capital projects were to be included in Newfoundland Power's planned 2023 to 2026 capital expenditures.
e) Does Newfoundland Power agree that a decision to defer, but not cancel, a capital expenditure means that it does prioritize capital budget expenditures?

CA-NP-009 (Reference Application) What changes has Newfoundland Power made to its asset management plan and practices since its 2021 Capital Budget Application? Does Newfoundland Power have plans to review its asset management plan and practices going forward?

CA-NP-010 (Reference Application) Has Newfoundland Power made any changes in its 2022 Capital Budget Application to incorporate recommendations made by Midgard, the Board's consultant, with respect to the Capital Budget Application Guidelines?

CA-NP-011 (Reference Application) Has Newfoundland Power embedded productivity savings as a bottom-line adjustment in its 2022 Capital Budget Application? Does Newfoundland Power believe that a well-run utility is continually finding ways to complete its work programs at lower cost?

CA-NP-012 (Reference Application) Please provide a summary of all benchmarking exercises performed by Newfoundland Power relating to costs and performance that have been incorporated in the 2022 Capital Budget Application. Specifically, please show how Newfoundland Power spending and performance compare to a peer group and provide relevant information on each peer included in the group.

CA-NP-013 (Reference Application) Please explain and show how customer preferences have been incorporated in the 2022 Capital Budget Application.

CA-NP-014 (Reference Application) The Application states 28 times in Schedule B "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*" In the 2022 Capital Plan (page 2) it is stated "*The Electrical Power Control Act, 1994 contains the provincial power policy. Among other provisions, the provincial power policy requires that power be delivered to customers at the lowest possible cost consistent with reliable service.*"

a) Specifically, what is Newfoundland Power's mandate?
b) Provide Newfoundland Power's definition of "*reliable service*" and all reliability criteria used to define "*reliable service*".
c) Is it a requirement under current legislation that Newfoundland Power provide service commensurate with the value its customers place on the service?

CA-NP-015 (Reference Application) How has Newfoundland Power ensured that its 2022 Capital Budget provides an appropriate balance between reliability, rate impacts, and the value customers place on service? Has Newfoundland Power conducted a customer engagement process and incorporated the results in its 2022 Capital Budget Application, or any other Capital Budget Application in recent years? If so, please provide customer surveys and documentation relating to customer feedback that Newfoundland Power has relied upon to determine the appropriate balance between reliability, rate impacts, and the value customers place on service, and please provide specific references to customer input and feedback used in the development of the 2022 Capital Budget Application.

CA-NP-016 (Reference Application) Please identify all reliability risk metrics used by Newfoundland Power in the 2022 Capital Budget Application. What risk

mitigation value is provided by Newfoundland Power's asset management program; i.e., the difference between baseline risk and residual risk?

CA-NP-017 (Reference Application) Please provide a summary of all laboratory testing conducted by Newfoundland Power in the 2022 Capital Budget Application to verify the need for asset replacement.

CA-NP-018 (Reference Application) What is the overall improvement in productivity stemming from the projects included in the 2022 Capital Budget Application? Please identify the expected cost savings and provide an estimate of the impact on rates.

CA-NP-019 (Reference Application) Please provide Newfoundland Power's number of customers and energy demand by customer class for 2018, 2019 and 2020, and the forecasts for each of the next 5 years, in total and by service area.

CA-NP-020 (Reference Application Schedule B, page 3 of 98) Please provide a detailed calculation of the cost to own and operate Newfoundland Power's hydro facilities, and the amount of money recovered annually from customers attributable to Newfoundland Power's hydro generation facilities.

CA-NP-021 (Reference Application Schedule B, Hydro Facility Rehabilitation, page 3 of 99) It is stated "*The alternative to maintaining the Company's generation facilities would be to retire them.*" Please provide a copy of all studies relating to the retirement of Newfoundland Power's hydro generation facilities.

CA-NP-022 (Reference Application Schedule B, Hydro Facility Rehabilitation page 3 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.

CA-NP-023 (Reference Application Schedule B, Hydro Facility Rehabilitation page 2 of 99)

a) Are any of these hydro facilities run-of-the-river, and if so, how many and which ones?

b) Does Newfoundland Power anticipate decommissioning any run-of-the river or low-capacity facilities after Muskrat Falls is fully integrated with the island system?
c) Does Newfoundland Power's Capital Plan anticipate decommissioning any run-of-the river or low-storage capacity hydro facilities after Muskrat Falls is fully integrated with the island system? Explain.

CA-NP-024 (Reference Application Schedule B, Sandy Brook Plant Penstock Replacement, page 5 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.

CA-NP-025 (Reference Application Schedule B, Thermal Plant Facility Rehabilitation, page 8 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.
c) What is the risk that the thermal plants will become stranded in the future?

CA-NP-026 (Reference Application Schedule B, Substation Refurbishment and Modernization, page 12 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.

c) Given that this project has been ongoing since 2007, what efficiency improvements have been made in the administration of the program and how much have these improvements decreased the costs of the program?

CA-NP-027 (Reference Application Schedule B, Substation Refurbishment and Modernization, page 12 of 99) Why is there such a significant increase in costs of this program in 2023 and beyond?

CA-NP-028 (Reference Application Schedule B, PCB Bushing Phase-out, page 15 of 99) It is stated "*This is a mandatory project justified on the requirement to meet the Government of Canada's PCB Regulations and cannot be deferred.*" Is this the only project in the 2022 Capital Budget Application that is driven by mandatory/statutory requirements?

CA-NP-029 (Reference Application Schedule B, Transmission Line Rebuild, page 19 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.
c) Given that this project has been ongoing since 2006, what efficiency improvements have been made in the administration of the program and how much have these improvements decreased the costs of the program?

CA-NP-030 (Reference Application Schedule B, Extensions, pages 25 of 99) For the Extensions (Pooled) project, what "*independent agencies*" were used to derive the number of new customers? Please provide a copy of the reports from these independent agencies.

CA-NP-031 (Reference Application Schedule B, Street Lighting – LED Replacement Program, page 34 of 99) For the Street Lighting - LED Replacement Program the cost savings to customers have been quantified. Has Newfoundland Power "*quantified*" the customer savings deriving from any of the other projects in the 2022 Capital Budget Application? If so, please provide a list of these projects and the quantified customer savings deriving from each of the projects.

CA-NP-032 (Reference Application Schedule B, Street Lighting – LED Replacement Program, page 34 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please explain the impact on customers if this project were delayed by a year.
b) Are there other projects that would likewise be consistent with providing reliable power at least cost such as a rebate program to promote customer switching from baseboard heating to heat pumps?

CA-NP-033 (Reference Application Schedule B, Rebuild Distribution Lines, page 44 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.
c) Please indicate when the Rebuild Distribution Lines project began. What efficiency improvements have been made in the administration of the program and how much have these improvements decreased the costs of the program?

CA-NP-034 (Reference Application Schedule B, Distribution Reliability Initiative, page 46 of 99) It is stated "*Customers supplied by the worst performing feeders experience power interruptions more often **or** of longer duration than the Company average*" (emphasis added). Please indicate the number and location of customers on the system who meet these criteria, experiencing either "*more*" ***or*** "*longer duration*" interruptions than the company average?

CA-NP-035 (Reference Application Schedule B, Distribution Reliability Initiative, page 46 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.

c) Please indicate when the Distribution Reliability Initiative project began. What efficiency improvements have been made in the administration of the program and how much have these improvements decreased the costs of the program?

CA-NP-036 (Reference Application Schedule B, Distribution Reliability Initiative) Please provide a list of all complaints related to poor reliability received over the past 5 years from customers supplied by the feeders proposed for work in 2022.

CA-NP-037 (Reference Application Schedule B, Distribution Reliability Initiative, page 47 of 99) Please confirm that Newfoundland Power proposes to spend annually about 4.5 times the amount of money on this initiative in the years 2024 through 2026 than it proposes to spend in 2022, and please explain the reasons why.

CA-NP-038 (Reference Application Schedule B, Distribution Feeder Automation, page 50 of 99) It is stated "*This Distribution project is necessary to increase automation in the Company's distribution system. Increased automation in the distribution system improves customer service through reduced restoration times following both local and system-wide outages.*" On page 51 of 99 it is stated "*Distribution feeder automation is recognized in the electric utility industry as providing both reliability and efficiency benefits for customers.*" Later on page 51 of 99 it is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please quantify the efficiency benefits to customers resulting from this project.
b) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
c) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.
d) Please indicate when the Distribution Feeder Automation project began. What efficiency improvements have been made in the administration of the program and how much have these improvements decreased the costs of the program?

CA-NP-039 (Reference Application Schedule B, Trunk Feeders – Humber 4.16 kV Conversion, page 52 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.

CA-NP-040 (Reference Application Schedule B, Electric Vehicle Charging Network, page 54 of 99)

a) Please confirm that this project has not received Board approval.
b) Is it premature for Newfoundland Power to be seeking approval of the second year of a program that has not yet been approved by the Board?

CA-NP-041 (Reference Application Schedule B, Tools and Equipment, page 61 of 98) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.
c) Please indicate when the Tools and Equipment project began. What efficiency improvements have been made in the administration of the program and how much have these improvements decreased the costs of the program?

CA-NP-042 (Reference Application Schedule B, Additions to Real Property, page 63 of 99) It is stated "*... the installation of electric vehicle chargers for Company electric vehicle fleet at $70,000.*" Will these charging stations be open to the public? Will charging stations proposed by Newfoundland Power for public use be available for use by Newfoundland Power for its vehicles?

CA-NP-043 (Reference Application Schedule B, Clarenville Area Office Building Refurbishment, pages 65 and 68 of 99) It is stated "*This project is justified on the obligation to maintain safe and adequate facilities and cannot be deferred.*" Are these facilities currently safe and adequate, or has Newfoundland Power placed its employees at risk? If these facilities are safe and adequate now, what is expected to happen between now and 2022 that would make them unsafe and inadequate in 2022?

CA-NP-044 (Reference Application Schedule B, Replace Vehicles and Aerial Devices 2022 – 2023, page 70 of 99) It is stated "*Detailed evaluation of the units to be replaced will take place to confirm they have reached the end of their service lives.*" Why were the evaluations not carried out before requesting capital funding for replacement?

CA-NP-045 (Reference Application Schedule B, Replace Vehicles and Aerial Devices 2022 – 2023, page 71 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.
c) Please indicate when the Replace Vehicles and Aerial Devices project began. What efficiency improvements have been made in the administration of the program and how much have these improvements decreased the costs of the program?

CA-NP-046 (Reference Application Schedule B, Replace Vehicles and Aerial Devices 2022 – 2023, page 72 of 99) It is stated "*For passenger vehicles, the guideline is 5 years of age or 150,000 kilometres*." What percentage of Newfoundland Power vehicles that are 5 years of age have 150,000 kilometres on them?

CA-NP-047 (Reference Application Schedule B, Replace/Upgrade Communications Equipment, page 74 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.

CA-NP-048 (Reference Application Schedule B, St. John's Teleprotection System Replacement, page 76 of 99)

a) Has the system operator (NLSO) verified that this project is needed? Please provide a copy of all communications between NLSO and Newfoundland Power concerning whether this project is needed.
b) Has the NLSO verified that it can operate the power system in a reliable manner once the proposed system is in place, and that the proposed system is the least cost solution?
c) What entity in the Province is responsible for reliability of the bulk power system?

CA-NP-049

(Reference Application Schedule B, Personal Computer Infrastructure, page 84 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.

CA-NP-050

(Reference Application Schedule B, Shared Server Infrastructure, page 86 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.

CA-NP-051

(Reference Application Schedule B, Network Infrastructure, page 88 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.

CA-NP-052

(Reference Application Schedule B, Customer Service System Replacement, page 93 of 99) It is stated:

"*The Company has contracted a third-party procurement advisor for this project. The procurement advisor will assist in undertaking a competitive Request for Proposals process by: (i) developing functional and technical specifications for the replacement system; (ii) providing best practices in evaluating vendors' proposals; and (iii) providing industry expertise during contract negotiations. The use of a procurement advisor will reduce execution risks for this once-in-a-generation project.*
The Company will complete procurement in 2 phases. The first phase will focus on procuring a commercial solution from an established software vendor. The second phase will focus on contracting a third-party system integrator to provide the technical expertise required to implement the solution. A 2-phase procurement approach is consistent with industry best practice."

a) Please provide the current schedule for the CSS replacement project along with a detailed budget. Has the schedule and/or budget been impacted by delays in the approval of this project?
b) Are there 3 competitive procurements associated with this project including contracting for: 1) a procurement advisor, 2) a software vendor, and 3) a system integrator?
c) Please provide details of the recently concluded selection process for the procurement advisor including schedule, type of procurement, number of bidders, winning bidder, and the amount to be paid to the winning bidder.
d) Please provide the scope of work and schedule for the services to be provided by the procurement advisor.
e) What project execution risks will the procurement advisor reduce or eliminate for this once-in-a-generation project?
f) Please provide specific clauses in the contract that assign project execution risks to the procurement advisor.
g) Will the winning bidder of the procurement advisor project be allowed to bid on the system integrator project?

CA-NP-053

(Reference Application Schedule B, Workforce Management System Replacement, page 94 of 99) It is stated "*The existing WFMS, known as Click, was deployed in 2011 and will become obsolete in 2023.*"

a) When is the replacement WFMS expected to become obsolete?
b) What safeguards are being employed to ensure the replacement WFMS meets the assumed life expectancy?
c) Will Newfoundland Power have adequate staff available to undertake this project at the same time as the CSS replacement project? How does Newfoundland Power plan to manage staff priorities during this period of time?

CA-NP-054 (Reference Application Schedule B, Workforce Management System Replacement, page 94 of 99) It is stated "*This project is justified on the obligation to provide reliable service to customers at least cost and cannot be deferred.*"

a) Please provide evidence based on reliability criteria that Newfoundland Power will be unable to provide reliable service at least cost if it were to delay this project.
b) Please quantify the impact on the following if the project were delayed by two years: 1) reliability, 2) cost, and 3) the risk and consequences of failure.

CA-NP-055 (Reference Application Schedule B, Workforce Management System Replacement, page 95 of 99) It is stated "*The budget for this project is based on cost estimates provided by potential suppliers and an estimate for the internal effort required to complete the project.*" Was a similar approach followed to produce the cost estimate for the CSS replacement project? Please explain.

CA-NP-056 (Reference Application, 2022 Capital Plan, page 1) It is stated "*Newfoundland Power's 5-year capital plan forecasts average expenditures of approximately $123 million annually through 2026.*" Please provide a comparison of the forecasted annual capital expenditures of approximately $123 million to actual capital expenditures over the past 15 years.

CA-NP-057 (Reference Application, 2022 Capital Plan, pages 3 and 4 describing the Capital Planning Process) It is stated "*Overall, Newfoundland Power's capital planning process ensures all proposed projects are consistent with its obligation to provide safe and reliable service to customers at least cost*"

a) There is no mention that customer input was incorporated in the Capital Planning Process. Please confirm that customer input was not incorporated in the development of the 2022 capital budget, and if it was, please provide the references.
b) Please explain how Newfoundland Power "*ensures all proposed projects are consistent with its obligation to provide safe and reliable service to customers at least cost*" when it has not surveyed its customers about the value customers place on reliable service. How can "*reliable service*" be defined without customer input? Is it true that reliability can always be improved, but at some point the reliability improvements exceed the cost that customers are willing to pay?

CA-NP-058 (Reference Application, 2022 Capital Plan, page 10) It is stated "*The Company has focused on maintaining current levels of service reliability*

for customers over the last decade." Is this consistent with customer expectations? Please provide customer feedback indicating that they want current levels of reliability at current rates, and are not interested in marginally reduced levels of reliability in exchange for lower rates. Were the results of Hydro's Digital Engagement Initiative incorporated in the 2022 Capital Budget Application?

CA-NP-059 (Reference Application, 2022 Capital Plan, page 11) It is stated "*Newfoundland Power shares the Board's view that fully justified capital expenditures are part and parcel of delivering least-cost service to customers.*" Is Newfoundland Power of the opinion that in the Board's view least cost service is the goal regardless of the value customers place on service? If so, please provide support.

CA-NP-060 (Reference Application, 2022 Capital Plan, page 11) It is stated "*... or the long-term effect that fully justified capital expenditures have on minimizing aggregate costs and thus revenue requirements*." What long-term effect will the 2022 Capital Budget Application have on minimizing revenue requirements?

CA-NP-061 (Reference Application, 2022 Capital Plan, page 12) It is stated "*the Company's annual capital investments have averaged approximately $100 million per year over this period*." Table 9 indicates that in 2025 and 2026 Newfoundland Power plans to annually spend over $128 million in capital expenditures. Please confirm that this represents an increase in capital spending of more than 28% over average levels during the period 2014 to 2021.

CA-NP-062 (Reference Application, 2022 Capital Plan, pages 12 and 13) How do the results in Tables 3 and 4 compare to distribution companies elsewhere in North America?

CA-NP-063 (Reference Application, 2022 Capital Plan, page 13) Footnote 36 states "*On July 1, 2016, customer rates increased by 1.2% as a result of Newfoundland Power's 2016/2017 GRA. Customer rates did not change as a result of its 2019/2020 GRA.*"

a) What rate increase and rate of return did Newfoundland Power propose in its 2016/2017 GRA?
b) What rate increase and rate of return did Newfoundland Power propose in its 2019/2020 GRA?
c) What rate increase and rate of return is Newfoundland Power proposing in its 2022/2023 GRA? Please provide this figure with and without the adjustment for the decreased load forecast.

CA-NP-064 (Reference Application, 2022 Capital Plan, page 14) Does Newfoundland Power consider itself to be a transmission and distribution company? How does Newfoundland Power define an asset as transmission versus distribution? Are any of Newfoundland Power's transmission assets under the control of the system operator (NLSO)?

CA-NP-065 (Reference Application, 2022 Capital Plan, page 15) Please provide customer satisfaction levels for the Atlantic Canadian Utilities.

CA-NP-066 (Reference Application, 2022 Capital Plan, page 16 and 21, Figures 3 and 5)

a) What is the percentage and dollar increase in capital spending in 2022 over 2017 levels?
b) What is the percentage and dollar increase in capital spending in 2026 over 2017 levels?
c) Please provide a table and graph showing capital expenditures and regulated rate base going forward for the next 15 years if capital expenditures continue to increase at the average annual percentage increase in capital expenditures between 2006 and proposed for 2026. Please identify the average annual percentage increase during this period and show the figures in actual dollar terms.

CA-NP-067 (Reference Application, 2022 Capital Plan, page 26) It is stated "*This includes load growth associated with the electrification of heating systems and the electrification of heating systems in provincial buildings*." Is the electrification of heating systems based on baseboard or heat pump conversions? Please provide a comparison of the forecast increases in load owing to electrification of heating systems to the forecast decreases in load owing to conversion off baseboard heating to heat pumps.

CA-NP-068 (Reference Application, 2022 Capital Plan, pages 33 to 35, Risks to Planned Expenditures) Please identify risks associated with the planned expenditures for the CSS replacement project.

CA-NP-069 (Reference Capital Plan, page 11) It is stated that "On a pro forma basis, the Company's 2022 revenue requirement is estimated to increase by approximately $2 million as a result of the capital projects proposed for 2022."

a) Please provide a step-by-step summary of the calculation of this $2 million estimate.

b) What is the estimated pro forma impact of those capital projects on Newfoundland Power's revenue requirement for 2023, 2024, 2025, and 2026?

CA-NP-070 (Reference Capital Plan, page 12) Table 3 shows Newfoundland Power's contribution to revenue requirement in 2014 and 2021.

a) Please clarify whether this contribution is meant to apply solely to Newfoundland Power's capital expenditures.
b) Please revise Table 3 to include (i) rate base, (ii) Board authorized return on rate base, and (iii) Board authorized return on common equity, for each of the two years.

CA-NP-071 (Reference Capital Plan) Please provide a table showing capital budget, rate base, revenue requirement, and year-over-year rate change for each of the last 20 years and forecast for the years 2021 through 2026. Exclude purchased power costs from the revenue requirement and rate change calculations.

CA-NP-072 (Reference Capital Plan) Please provide a graph showing capital expenditures and regulated rate base for each of the past 20 years and forecast through 2026.

CA-NP-073 (Reference Capital Plan, page 6, Table 1) It is stated "*Table 1 provides examples of capital projects proposed for 2022 that were previously deferred through Newfoundland Power's capital planning process.*" Please provide a list of ***all*** capital projects proposed for 2022 that were previously deferred through the capital planning process along with the reasons why they were deferred.

CA-NP-074 (Reference Capital Plan, page 7, Table 2) It is stated "*Table 2 provides examples of capital projects originally planned for 2022 that have been deferred to subsequent years.*" Please provide a list of ***all*** capital projects originally planned for 2022 that have been deferred to subsequent years along with reasons why they were deferred.

CA-NP-075 (Reference Capital Plan, Table 9, page 23) Table 9 provides a breakdown of costs by asset class for each of the years 2022 through 2026.

a) Please provide documentation explaining why each individual project is included in the planned capital expenditures from 2023 to 2026.

b) Please provide documentation explaining why each individual project that in 2020 was originally planned for the 2023 to 2026 timeframe but was removed from the 2023 to 2026 planned expenditures now referenced in the 2022 Capital Budget Application.

CA-NP-076 (Reference Application, Sandy Brook Penstock Replacement, page 9) It is stated "*The penstock wooden staves are in poor condition and the saddles are experiencing severe cracking.*" Please provide a copy of all reports during the period from 2005 to 2019 concerning the condition of the Sandy Brook penstock. When did the penstock start leaking? Will the penstock be replaced with a wooden stave penstock with an expected life of 50 years?

CA-NP-077 (Reference Application Schedule B, Sandy Brook Plant Penstock Replacement, page 5 of 99) The estimated levelized cost of electricity at Sandy Brook is given as 3.22 cents per kWh over a 50-year period. The associated economic analysis in Attachment D to Appendix A of *Sandy Brook Plant Penstock Replacement* (page A-13) shows that this levelized cost is estimated over the period 2022 to 2071 with no capital investment in the facility after 2047. Is it realistic to assume that no such investment would be required for the 24-year period from 2048 to 2071? If capital investment would be required after 2047, then how would the levelized cost estimate be affected?

CA-NP-078 (Reference Application, Sandy Brook Penstock Replacement, page 7) It is stated "*Significant environmental damage would also result from the fast flowing water escaping from the failed penstock. The Plant is located on a tributary of the Exploits River. The Exploits River is a sensitive ecological environment and has a significant population of Atlantic salmon. Failure of the penstock would result in debris and sedimentation entering the Exploits River potentially causing harm to the Atlantic salmon population.*"

a) Is it possible that the proposed replacement penstock could fail, leading to significant environmental damage and potential harm to the Atlantic salmon population? What is the estimated reduction in risk of environmental damage resulting from the proposed penstock replacement project?
b) What alternatives to penstock replacement were considered beyond the "*do nothing*" alternative?
c) Was returning the site to an environmentally safe condition without power production considered? Was a cost and risk comparison done between the proposed penstock replacement and plant retirement that gives full consideration to environmental risk reduction and public benefits relating to tourism and other uses of the river system that might be enhanced by removal of the power plant, wires, and substation

infrastructure relative to dubious capacity and energy benefits in a Muskrat Falls Project era with increased capacity and energy supply and its significant impact on rates?

d) What is the probability that the Sandy Brook plant will become a stranded asset in the future?

CA-NP-079 (Reference Application, Substation Refurbishment and Modernization, Table A-1) Why are expenditures on this plan proposed to increase by more than 100% in 2025 and in 2026 over proposed 2022 levels?

CA-NP-080 (Reference Application, Humber Substation 4.16 kV Infrastructure Replacement, Page B-14) It is stated "*Proceeding with this project also has overall cost and operational benefits.*" Please quantify the "*overall cost*" benefits.

CA-NP-081 (Reference Application, Transmission Line Rebuild, Page 4) It is stated "*An analysis of historical outage data suggests that 124L has been prone to outages primarily due to wind and lightning.*" How, and to what extent, will this project alleviate wind and lightning outages?

CA-NP-082 (Reference Application, St. John's Teleprotection System Replacement, Page 2, Footnote 9) It is stated "*In the years prior to the study, 2 separate incidents involving faults of extended duration on the St. John's 66 kV transmission network resulted in the loss of generation at the HTGS.*" How much unsupplied energy resulted from these faults? Where does this project stand in terms of the NLSO's priority list of projects?

CA-NP-083 (Reference Application, St. John's Teleprotection System Replacement, Page 4) It is stated "*The existing IMUX 2000 equipment platform cannot be expanded to incorporate any future transmission line additions.*" Are there plans for future transmission line additions, and if so, when?

CA-NP-084 (Reference Application, 2022 System Upgrades, Page 2) It is stated "*Newfoundland Power's PI System was implemented in 2016.*" It is further stated "*The current PI System will no longer be supported by the vendor as of December 31, 2021. Upgrading the software in the first quarter of 2022 is required to ensure full vendor support moving forward.*" Is it typical with technology projects such as this that vendors stop supporting their systems after only 5 years? What is the expected duration of vendor support for the replacement software, and other software proposed in this Application?

CA-NP-085 (Reference Application, Workforce Management System Replacement Plan, May 2021 Report, Pages 1 and 6) It is stated "*the Company has*

maintained an average restoration time for customer outages that is 40% better than the Canadian average." It is further stated on page 1 *"A survey of Canadian utility practice confirmed that implementing a commercially available workforce management system is sound public utility practice."* Finally, it is stated on page 6 *"A survey conducted in 2020 determined that, of 8 Canadian utilities, 6 use a commercially available workforce management system."* Why is Newfoundland Power pursuing a commercially available workforce management system when its performance is 40% better than the Canadian utilities that are currently using such systems?

CA-NP-086 (Reference Application, 2022 Capital Plan, page 8) A quote by Liberty Consulting is included indicating that Newfoundland Power conforms with good utility practice. Please confirm that Liberty Consulting did not consider cost and customer willingness to pay in its review. If they did, please reference the pertinent such statements in its report.

CA-NP-087 (Reference Application, Application Enhancements) Please provide a summary by year through 2028 of the cost savings that are expected to be passed on to consumers owing to each of the projects in the Application Enhancements category.

CA-NP-088 (Reference Newfoundland Power 2022/2023 General Rate Application, page 1-9, lines 1 to 4) It is stated "*The second change relates to variations in Newfoundland Power's costs since its last general rate application. This includes the cost of continued investment in the electrical system, increased operating costs and the effects of amortizations proposed in this Application. The net result of these changes is a 2.0% increase in the revenue required from customer rates.*"

a) Please provide a breakdown of the cost increases in each category: investment, operating costs, and amortizations.
b) Please provide the impact that the capital budget applications since the last GRA have had on the costs of investment, operations, and amortizations, identifying both cost increases and decreases.

CA-NP-089 (Reference Newfoundland Power 2022/2023 General Rate Application, page 1-9, lines 6 to 9) It is stated "*The third change relates to the recovery of wholesale supply costs from forecast energy sales. A general rate application requires forecast supply costs to be reconciled with forecast revenue from energy sales during the test period. Rebalancing 2022 and 2023 supply costs and revenue from energy sales results in a 2.7% decrease in the revenue required from customer rates.*"

a) Is the same load forecast used in both the GRA and the 2022 Capital Budget Application?
b) Please provide a comparison of this load forecast to Hydro's forecast of Newfoundland Power load, both demand and energy.
c) What impact has the reduction in the load forecast had on the 2022 Capital Budget Application?
d) What is being done to rationalize the Hydro and Newfoundland Power forecasts of Newfoundland Power load?
e) What entity in NL is ultimately responsible for the load forecast?

CA-NP-090 (Excerpts from 2020 and 2021 Capital Expenditure Report: Appendix A Notes)

2010 Capital Expenditure Report
Distribution
2. Extensions:

Budget: $11,318,000 Forecast: $10,199,000 Variance: ($1,119,000)

The forecast expenditure for Extensions is expected to be approximately 10% below the budgeted amount. The reduction reflects a **10% decrease in anticipated new customer connections.** In 2020, the number of new customer connections is expected to drop by approximately 10% from 2,639 to 2,378.

Distribution
2. Services:

Budget: $3,272,000 Forecast: $2,958,000 Variance: ($314,000)

The forecast expenditure for Services is expected to be approximately 10% below the budgeted amount. The reduction reflects a **10% decrease in anticipated new customer connections.** In 2020, the number of new customer connections is expected to drop by approximately 10% from 2,639 to 2,378.

AND

2021 Capital Expenditure Report
Newfoundland Power Inc. – 2022 Capital Budget Application Page A-1
Distribution
1. Extensions:

Budget: $10,891,000 Forecast: $9,556,000 Variance: ($1,335,000)

The forecast expenditure for Extensions is expected to be approximately 12% below the budgeted amount. The reduction reflects a **12% decrease in anticipated new customer connections**. In 2021, the forecast number of new customer connections is expected to drop from 2,379 to 2,096.

2. Services:

Budget: $3,110,000 Forecast: $2,799,000 Variance: ($311,000)
The forecast expenditure for Services is expected to be approximately 10% below the budgeted amount. The reduction reflects an anticipated drop in new customer connections from 2,379 to 2,096.

a) Does the 2022 Capital Budget Application take into account the implications of the 10% decrease in 2019 and 12% decrease in 2020 in anticipated new customer connections? If so, what did Newfoundland Power specifically do in response to decreased customer connections?
b) What are the longer-term ramifications if a 10% to 12% decrease continues annually?
c) Is Newfoundland Power concerned about the utility death spiral?

CA-NP-091 (Reference Application) Please provide a table and a graph showing Newfoundland Power's average rate base and net plant investment for each year from 1996 to 2020 with forecasts for 2021 and 2022.

CA-NP-092 (Reference Application Schedule B, Additions to Real Property, page 63 of 99, footnote 19) Regarding the $70,000 expenditure for chargers for Newfoundland Power's electric vehicle fleet, how are those vehicles currently being charged? Would use of these new chargers result in a cost saving compared to current practice? If so, would the saving be sufficient to offset the capital cost?

CA-NP-093 (Reference Application Schedule A, page 1 of 4) 2022 Capital Budget Summary

a) Please provide a table that compares the 2022 Capital Budget Summary by Asset Class to the corresponding budget amounts in each of the preceding 20 years, based on the amounts requested in each year's CBA. Please show the budget amounts and the percentage change in the budget amounts for each year compared to the preceding year. The table should include all asset classes that were included in any one or more of the years included in the table.
b) Please provide a second table that compares the 2022 Capital Budget Summary by Asset Class to the corresponding amounts in each of the

preceding 20 years, based on the amounts approved by the PUB for each year. Please show the dollar amounts and the percentage changes for each year compared to the preceding year. The table should include all asset classes that were included in any one or more of the years included in the table.

c) Please provide the information for parts (a) and (b) as an Excel spreadsheet with parts (a) and (b) in separate tabs.

d) Please provide tables containing 10 years of historical information in Excel format for the capital budgets broken down by asset class of other Canadian electric utilities. Please use asset classes that correspond as closely as practical to the asset classes in NP's 2022 Capital Budget Summary. Please include the 10 largest Canadian electric utilities for which NP is able to obtain publicly available data for at least 4 of the last 10 years.

CA-NP-094 (Reference Application Schedule B, pages ii-iii of viii) Summary of 2022 Capital Projects by Definition

a) Please provide a table that compares the 2022 Capital Projects by Definition to the corresponding amounts in each of the preceding 20 years, based on the amounts requested in each year's CBA (dollar amounts and percentage year-over-year changes). Please use the following breakdown to aggregate the amounts:

Clustered
Distribution
Substations
Transmission
Pooled
Distribution
General Property
Generation – Hydro
Generation – Thermal
Information Systems
Substations
Telecommunications
Transmission
Other
General Expenses Capitalized
Generation - Hydro
Information Systems
Telecommunications
Transportation
Unforeseen Allowance

b) Please provide a second table that compares the 2022 Capital Projects by Definition to the corresponding amounts in each of the preceding 20 years, based on the amounts approved by the PUB for each year. Please show the dollar amounts and the percentage changes for each year compared to the preceding year. The table should include all definitions as requested for part (a).

c) Please provide the information for parts (a) and (b) as an Excel spreadsheet with parts (a) and (b) in separate tabs.

d) Please provide tables containing 10 years of historical information in Excel format for the capital budgets broken down by capital project definition for other Canadian electric utilities. Please use capital project definitions that correspond as closely as practical to the capital project definitions used in NP's Summary of 2022 Capital Projects by Definition. Please include the 10 largest Canadian electric utility for which NP is able to obtain publicly available data for at least 4 of the last 10 years.

CA-NP-095 (Reference Application Schedule B, pages v-vi of viii) Summary of 2022 Capital Projects by Classification

a) Please provide a table that compares the 2022 Capital Projects by Classification to the corresponding amounts in each of the preceding 20 years, based on the amounts requested in each year's CBA (dollar amounts and percentage year-over-year changes). Please use the following breakdown to aggregate the amounts:

Normal Capital
Distribution
General Expenses Capitalized
General Property
Generation – Hydro
Generation – Thermal
Information Systems
Substations
Telecommunications
Transmission
Transportation
Unforeseen Allowance
Any additional classifications that appeared in previous years

Justifiable
Distribution
Information Systems
Any additional classifications that appeared in previous years

Mandatory
Substations
Any additional classifications that appeared in previous years

b) Please provide a second table that compares the 2022 Capital Projects by Classification to the corresponding amounts in each of the preceding 20 years, based on the amounts approved by the PUB for each year. Please show the dollar amounts and the percentage changes for each year compared to the preceding year. The table should include all definitions as requested for part (a).

c) Please provide the information for parts (a) and (b) as an Excel spreadsheet with parts (a) and (b) in separate tabs.

d) Please provide tables containing 10 years of historical information in Excel format for the capital budgets broken down by classification for other Canadian electric utilities. Please use capital project classifications that correspond as closely as practical to the capital project classifications in NP's Summary of 2022 Capital Projects by Classification. Please include the 10 largest Canadian electric utility for which NP is able to obtain publicly available data for at least 4 of the last 10 years.

CA-NP-096 (Reference Application Schedule B, pages 1-99 of 99) 2022 Capital Projects

a) For each capital project included in Schedule B, please provide the details of the business case used to support the selected project option, including demand side management and non-wires alternatives where relevant, showing:
   i) all options considered for achieving the objectives set out in the justification section for each project,
   ii) a schedule comparing the net present value of each option considered taking into account both the required capital expenditure and the impact on OM&A costs,
   iii) a schedule comparing the impact on NP's total revenue requirement in each year for the years 2022 through 2031, and
   iv) a schedule comparing the incremental rate impact in each year for the years 2022 through 2031.

CA-NP-097 (Reference Application, 2022 Capital Plan, page 14; PDF page 156) Newfoundland Power compares its Capital Investment, Property Plant and Equipment – T&D to the Average of Other Atlantic Canadian Utilities.

a) Please provide the supporting data by utility as an Excel spreadsheet.
b) Please provide similar tables for:
   i) Total capital investment, property plant and equipment
   ii) Total rate base
   iii) Total rate base per customer
   iv) Total revenue requirement
   v) Total revenue requirement per customer

CA-NP-098 (Reference Application) Please indicate whether members of senior management of Newfoundland Power contributed to or participated in the September 23, 2020 statement by Fortis Inc. to its shareholders about its plan to expand the regulated rate base of its subsidiaries, of which Newfoundland Power is one, by 6% annually during the five-year period from 2021 to 2025. If so, please provide the name(s) of the individual(s) who so contributed or participated and details of the contribution(s) or participation.

CA-NP-099 (Reference Application) In its September 23, 2020 statement to its shareholders, Fortis Inc. said it has adopted a carbon emissions reduction target of 75% by 2035 using a 2019 base year. Please explain how this initiative by Fortis Inc., Newfoundland Power's parent company, has influenced Newfoundland Power's planned capital expenditures on thermal energy during the period from 2022 to 2026.

CA-NP-100 (Reference Application) Has Newfoundland Power done any analysis of the effect(s) of the COVID-19 pandemic on the cost estimate for each project proposed in the 2022 Capital Budget Application? If so, please provide a copy of all such analyses for each project.

CA-NP-101 (Reference Application) What in 2021 was the capital cost per megawatt of Newfoundland Power's thermal capacity? What in 2020 was Newfoundland Power's marginal cost per megawatt hour of thermal energy?

CA-NP-102 (Reference Application) In light of existing and proposed 'green energy' initiatives by the governments of Canada and Newfoundland and Labrador, has Newfoundland Power analyzed the possibility that its past and proposed future capital expenditures on thermal capacity and thermal energy may become stranded? If so, please provide copies of all such analyses.

CA-NP-103 (Reference Application) What in 2020 was the capital cost per megawatt of Newfoundland Power's thermal capacity? What in 2020 was Newfoundland Power's marginal cost per megawatt hour of thermal energy?

CA-NP-104 (Reference Application) What in 2020 was the capital cost per megawatt of Newfoundland Power's hydro capacity? What in 2020 was Newfoundland Power's marginal cost per megawatt hour of hydro energy?

CA-NP-105 (Reference Application) Please provide a table that for each year from 1996 to 2020 lists the total number of Newfoundland Power customers, its SAIDI figure, its SAIFI figure, and the percentage increase / decrease from year to year.

CA-NP-106 (Reference Application, 2022 Capital Plan, PDF page 151 of 523, including footnote 19) It is stated "*Figure 2 shows the duration ("SAIDI") and frequency ("SAIFI") of outages to Newfoundland Power's customers over the period 2001 to 2020 under normal operating conditions. (FN 19 Newfoundland Power calculates its SAIDI ("System Average Interruption Duration Index") and SAIFI ("System Average Interruption Frequency Index") in accordance with Canadian Electricity Association ("CEA") Guidelines. SAIDI is calculated by dividing the total number of customer outage minutes by the total number of customers served. SAIFI is calculated by dividing the total number of customer interruptions by the total number of customers served. The data shown in Figure 2 does not include customer outages due to significant events or loss of supply from Newfoundland and Labrador Hydro.)*"

a) What is the definition of "normal operating conditions"?
b) What term does Newfoundland Power use to describe a period that is not one of normal operating conditions?
c) What is the definition of "significant events"?
d) In 2020, how many significant events did Newfoundland Power record? For 2020, on a map of Newfoundland please indicate the number and duration of customer outages attributable to significant events.

CA-NP-107 (Reference Application) Please indicate the total number of customer outage minutes lost in 2020 due to planned outages as compared to unplanned outages. On a map of Newfoundland please indicate the number and duration of customer outages in 2020 attributable to planned outages. On a map of Newfoundland please indicate the number and duration of customer outages in 2020 attributable to unplanned outages.

CA-NP-108 (Reference Application, 2022 Capital Plan, 4.1 Distribution Reliability Initiative)

a) Please provide the date of all customer surveys undertaken by Newfoundland Power in the last 10 years that provide insight into the value that each class of customers puts increased reliability. Explain the

conceptual approach that was used in each case to determine the value of increased reliability (e.g., willingness to pay).

b) For the most recent customer survey identified in part (a), please provide documentation of that question and methodology used, and all reports that were provided by the external consultant and by internal staff that assess and/or interpret the responses received.

CA-NP-109 (Reference Application, 2022 Capital Plan)

a) Please provide the increase in total rates (monetary and percentage) that will be charged to each rate class of Newfoundland Power customers, by billing determinant, as a result of the Muskrat Falls Project coming into service.

b) Please provide the bill impacts on customers within each rate class of these rate increases, broken down by decile of demand (i.e., average customer with demand below the 10th percentile, average customers in the range of the 10th to 20th percentile, etc.).

c) Please compare the impact of these increases for each decile of residential customers to the best available data on the annual increase in income for low-income and for average-income Newfoundlanders.

d) Please provide the expected impact on electricity demand by rate class as a result of these rate increases. Include details of the price elasticity assumptions used relative to the elasticity assumptions used in quantifying the impact of rate increases on demand for purposes of the current Newfoundland Power GRA.

CA-NP-110 (Reference Application, 2022 Capital Budget Summary, Schedule A, page 1 of 4 and Schedule B)

a) Please provide a revised version of the 2022 Capital Budget Summary, Schedule A, page 1 of 4 that would correspond to the capital budget that would be recommended by Newfoundland Power if the 2022 capital budget were constrained not to exceed $100,000,000.

b) Based on the modified capital budget in part (a) please identify the specific 2022 capital projects that Newfoundland Power would recommend modifying, deferring or eliminating with an explanation of the rationale for each project change recommended.

CA-NP-111 (Reference Application, 2022 Capital Plan, 2022 Capital Budget Summary, Schedule A, page 1 of 4)

a) Please provide a detailed description of the procedure used to respond to unanticipated capital expenditures that arise during a fiscal year after the capital budget has been approved.

b) Please provide a detailed description of the procedure used to respond to changes in circumstances of information that result in a modification in the economic justification of a capital project that eliminates the need to proceed with eh project in that fiscal year.

c) For each of the past three fiscal years, please provide a list of all capital projects that that were (i) undertaken although not included in the capital budget as filed for that year, (ii) not completed although included in the capital budget as filed for that year, and (iii) modified in terms of the work completed or cost as compared to the project details included in the capital budget as filed for that year.

CA-NP-112 (Reference Application, 2022 Capital Plan, 1.2 Sandy Brook Plant Penstock Replacement) Section 6.0 provides the Economic Analysis that does not include consideration of the additional cost that will be recoverable from the Newfoundland customers of NL Hydro and Newfoundland Power as a result of the decreased supply of power by NL Hydro to Newfoundland Power as a result of the project.

a) Please provide details of the reduction in NL Hydro costs, if any, and the reduction in NL Hydro revenues that will be received from Newfoundland Power as a result of the additional Newfoundland Power hydro production resulting from the penstock replacement.

b) Please provide a comparison of the total costs that will be recoverable from Newfoundland electricity customers (aggregating the revenue requirements of NL Hydro and Newfoundland Power recoverable from domestic customers) under the alternatives with and without the Sandy Brook Plant Penstock Replacement. This comparison should show the impact of the project on Newfoundland Power's revenue requirement as compared to the domestic revenue requirement impacts for NL Hydro resulting from the reduced Newfoundland Power power purchases from NL Hydro.

CA-NP-113 (Reference Application, 2022 Capital Plan, Schedule B, pages 54-56)

a) Did Newfoundland Power consider undertaking the installation of the proposed EV charging network as a non-regulated service, with the costs recoverable through sources of revenue other than Newfoundland Power's rate base?

i. If yes, please provide all analyses and reports that have been prepared by independent consultants or Newfoundland Power staff exploring this option.

ii. If no, please explain why the option was not considered.

b) Did Newfoundland Power consider undertaking the installation of the proposed EV charging network in partnership with private sector businesses, such as highway gas station and other businesses providing services to travellers?
   i. If yes, please provide all analyses and reports that have been prepared by independent consultants or Newfoundland Power staff exploring this option.
   ii. If no, please explain why the option was not considered.

c) Please provide a detailed description of the approach to implementing an EV charging network in Newfoundland that would minimize the subsidy required from Newfoundland Power customers (through the inclusion of costs in rate base) or an alternate source such as the Provincial or Federal government.

d) Please provide a list of all alternate source of funding of the EV charging network (including government programs) that are potentially available to Newfoundland Power for this project as well as the actions taken and the results of actions taken to access alternate sources of funding.

e) Please provide a list of other Canadian integrated electric utilities and for each one provide (i) details of its investment in EV charging stations, if any, and (ii) the sources of funding utilized to recover the costs of the EV charging stations.

CA-NP-114 (Reference Application, 2022 Capital Plan, 2022 Capital Projects by Definition, Schedule B, pages ii - iii)

a) Please provide details of Newfoundland Power approach to assessing the relative cost of non-wires alternatives (NWAs) such as distributed energy resources (DERs) to the capital investment in traditional assets that are included in Newfoundland Power's proposed capital plan.
   i. Please provide any reports or analyses that show the comparative analysis for the projects included in the 2022 Capital Budget Application.
   ii. If NWAs have not been considered, please explain why they have been excluded as options without a comparison of alternatives.

b) Please provide a discussion of the feasibility of NWAs being utilized to address the requirements for each capital project definition identified in Schedule B.

c) Please provide a discussion of the consideration being given to NWAs in each of the other Canadian jurisdictions addressing the current practices of other Canadian integrated utilities, transmission companies and major distributors.

d) Please provide a discussion of the consideration being given to NWAs in each of the other Canadian jurisdictions addressing the current practices of Canadian regulators.

e) Please provide a discussion of the consideration being given to NWAs in each of the other Canadian jurisdictions addressing policy and information gathering initiatives that have been undertaken by integrated electric utilities, regulators, system operators and Canadian industry associations.

CA-NP-115 (Reference Application) For the period from 1996 to 2026 inclusive, please provide a table and a related graph that shows for each year: (i) Newfoundland Power's total number of customers, (ii) Newfoundland Power's net after tax profit, (iii) Newfoundland Power's capital budget, (iv) Newfoundland Power's rate base, and (v) Newfoundland Power's rate of return. In preparing the table and graph, please assume that all the requests in Newfoundland Power's 2022 Capital Budget Application are approved, that all Newfoundland Power's forecast capital budget expenditures for the period 2023 to 2026 inclusive are approved, and that the rate of return requested by Newfoundland Power in its 2022-2023 General Rate Application is approved. Where available, please use the actual numbers, and where actual numbers are as yet unavailable please use the requested or forecast numbers.

CA-NP-116 (Reference Application) Please provide a list that for each response to a Request for Information (CA-NP-001 to CA-NP-115) shows the name(s) of the individual(s) who prepared, or who take(s) responsibility for, each response.

DATED at St. John's, Newfoundland and Labrador, this 13th day of July, 2021.

Per: Dennis Browne

Dennis Browne, Q.C.
Consumer Advocate
Terrace on the Square, Level 2, P.O. Box 23135
St. John's, Newfoundland & Labrador A1B 4J9

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Email: dbrowne@bfma-law.com

2021-2025 FIVE-YEAR OUTLOOK CONFERENCE CALL

SEPTEMBER 23, 2020

FORTIS INC.

Schedule "A" to
CA-NP-005

FORWARD LOOKING INFORMATION

Fortis includes forward-looking information in this presentation within the meaning of applicable Canadian securities laws and forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (collectively referred to as "forward-looking information"). Forward-looking information reflects expectations of Fortis management regarding future growth, results of operations, performance and business prospects and opportunities. Wherever possible, words such as anticipates, believes, budgets, could, estimates, expects, forecasts, intends, may, might, plans, projects, schedule, should, target, will, would and the negative of these terms and other similar terminology or expressions have been used to identify the forward-looking information, which includes, without limitation: forecast rate base for 2020 and 2021-2025; targeted average annual dividend growth through 2025; forecast capital expenditures and expected funding sources for 2020 and 2021-2025; TEP's carbon emissions reduction target, 2035 generation mix and coal-fired generation retirements; the Corporation's 2035 carbon emissions reduction target and projected asset mix; the expectation that execution of the carbon emissions target as well as key industry trends will drive incremental investments beyond the five-year capital plan; the nature, timing, benefits and costs of certain capital projects including, without limitation, the Wataynikaneyap Transmission Power Project, ITC Multi-Value Regional Transmission Projects and 34.5 to 69 kV Transmission Conversion Project, UNS Energy Vail to Tortolita Transmission Project and Oso Grande Wind Project, FortisBC Eagle Mountain Woodfibre Gas Line Project, Transmission Integrity Management Capabilities Project, Inland Gas Upgrades Project, Tilbury 1B, Tilbury Resiliency Tank and Advanced Metering Infrastructure Project; additional opportunities beyond the capital plan; FortisBC's 2030 GHG emissions goal and renewable gas target; CUC's renewable energy goal; forecast debt maturities for 2021-2025; and the expected timing, outcome and impacts of regulatory decisions.

Forward-looking information involves significant risks, uncertainties and assumptions. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking information. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally, including those identified from time to time in the forward-looking information. Such assumptions include, but are not limited to: no material impact from the COVID-19 pandemic; reasonable outcomes for regulatory proceedings and the expectation of regulatory stability; the successful execution of the five-year capital plan; no material capital project or financing cost overruns; sufficient human resources to deliver service and execute the capital plan; no significant variability in interest rates; and the Board exercising its discretion to declare dividends, taking into account the business performance and financial condition of the Corporation. Fortis cautions readers that a number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors should be considered carefully and undue reliance should not be placed on the forward-looking information. For additional information with respect to certain of these risks or factors, reference should be made to the continuous disclosure materials filed from time to time by the Corporation with Canadian securities regulatory authorities and the Securities and Exchange Commission. All forward-looking information herein is given as of the date of this presentation. Fortis disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Unless otherwise specified, all financial information is in Canadian dollars and rate base refers to midyear rate base.

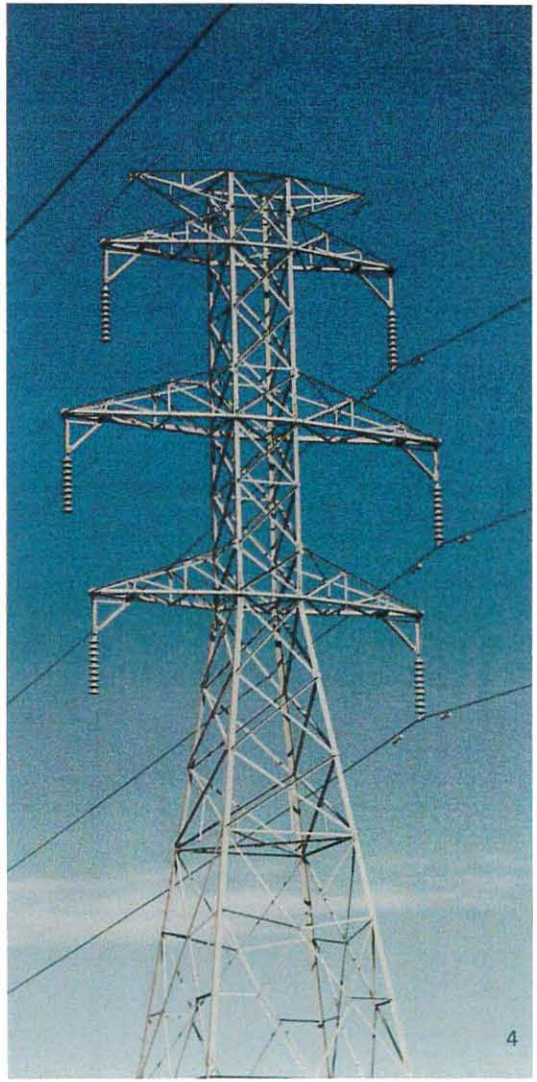
OPERATIONAL UPDATE & BUSINESS OUTLOOK

BARRY PERRY
PRESIDENT & CEO

FORTIS INC.

WELCOME & BUSINESS UPDATE

- SAFE & RELIABLE SERVICE DURING COVID-19
- 2020 CAPITAL PLAN ON TRACK
- 2021-2025 FIVE-YEAR OUTLOOK
- CORPORATE-WIDE CARBON REDUCTION TARGET ANNOUNCED



FORTIS INC

A PREMIUM ENERGY DELIVERY BUSINESS

- Regulated Electric
- Regulated Gas
- FERC-Regulated Electric Transmission
- Long-Term Contracted Hydro Generation
- Natural Gas Storage Facility

93% TRANSMISSION & DISTRIBUTION ASSETS

HIGH-QUALITY PORTFOLIO:

- 10 Utility Businesses
- 3.3M Electric & Gas Customers
- 9,000 Employees
- 99% Regulated Utility Assets
- $24B Market Capitalization[1]
- ~14% Average Annual 20-Year Total Shareholder Return[1]
- ~$30B 2020F Rate Base

(1) As of August 31, 2020

FORTIS INC.

LONG-TERM STRATEGY

DIVERSE BUSINESS MODEL SUPPORTING GROWTH STRATEGY

Leveraging our operating model, geographic and regulatory diversity, operating expertise, reputation and financial strength to execute on growth opportunities

PROVEN DIVIDEND TRACK RECORD & OUTLOOK

Q4 2020 Dividend Increases **5.8%**

6% Average Annual Dividend Growth Guidance through 2025

STRONG ESG PROFILE

Strengthening our Low-Carbon Footprint

AREAS OF FOCUS

- Safe and reliable service
- Capital investment plan
- Strong customer and regulatory relationships
- Sustainability and delivery of cleaner energy
- System resiliency, innovation & cybersecurity
- Energy infrastructure, LNG expansion & storage
- Investment-grade credit ratings

FORTIS INC.

FIVE-YEAR OUTLOOK HIGHLIGHTS

~$19.6B
2021-2025 Capital Plan

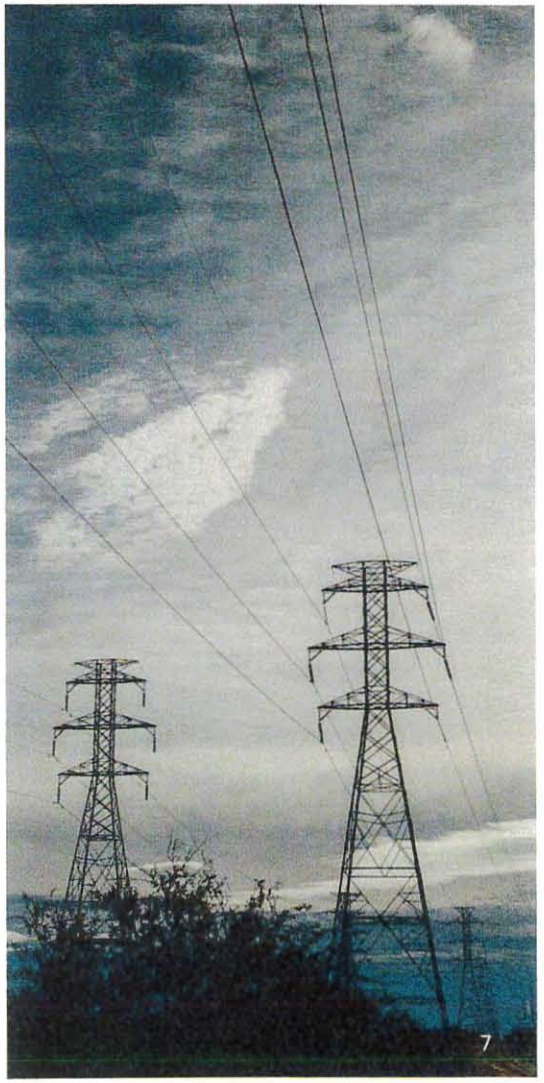
$800M increase over prior year plan of $18.8B

~6%
Rate Base Growth

Rate base grows ~$10B to $40.3B over five-year plan

~6%
Average Annual Dividend Growth Guidance to 2025

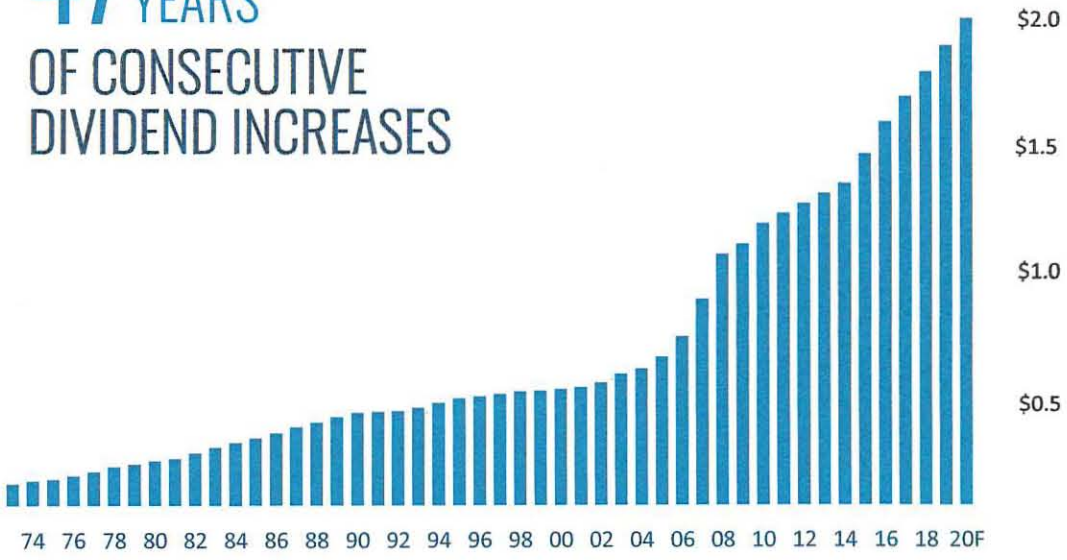
47 consecutive years of dividend increases



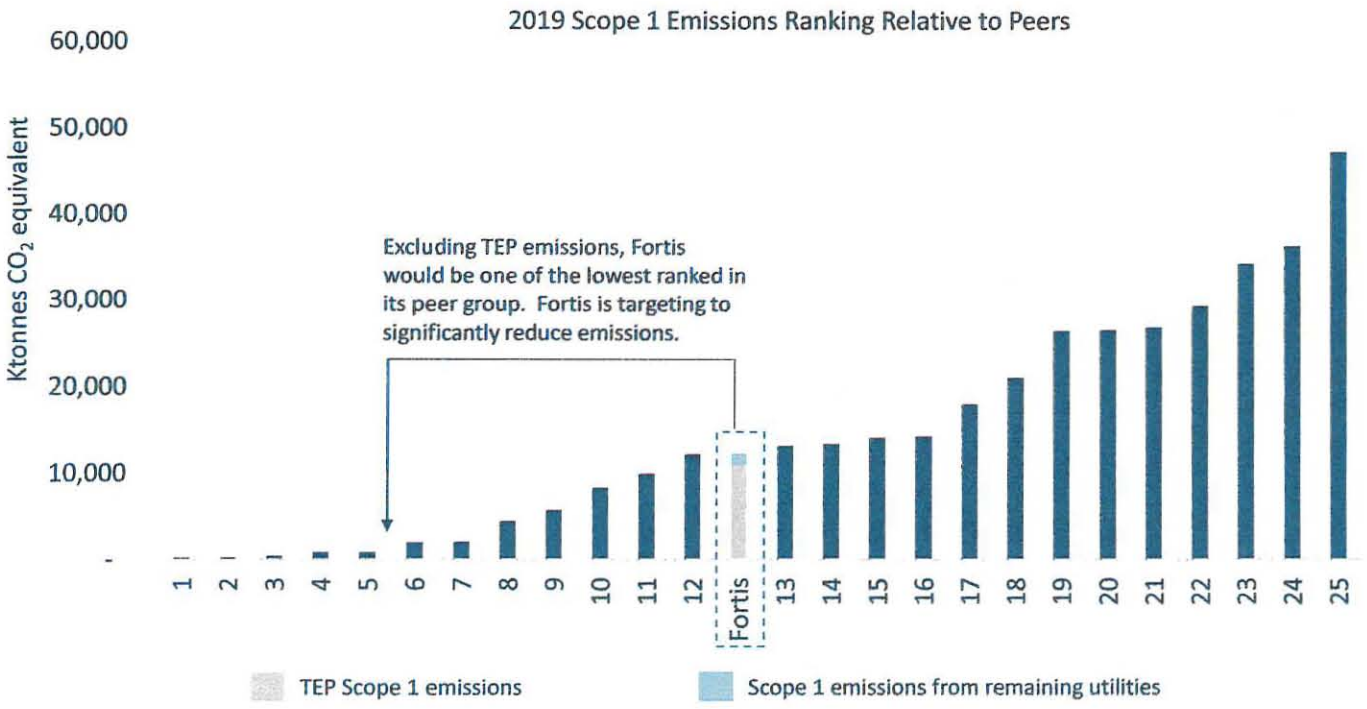
FORTIS INC.

DIVIDEND GUIDANCE SUPPORTED BY LONG-TERM GROWTH STRATEGY

47 YEARS
OF CONSECUTIVE
DIVIDEND INCREASES



COMMITTED TO IMPROVING OUR LOW-CARBON EMISSIONS PROFILE

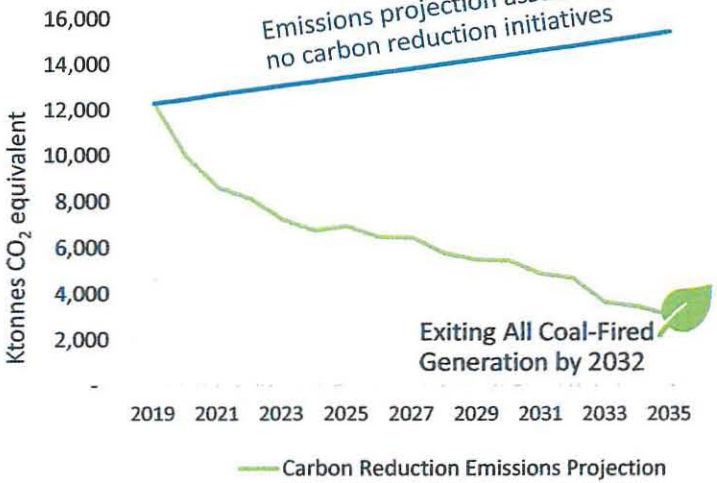


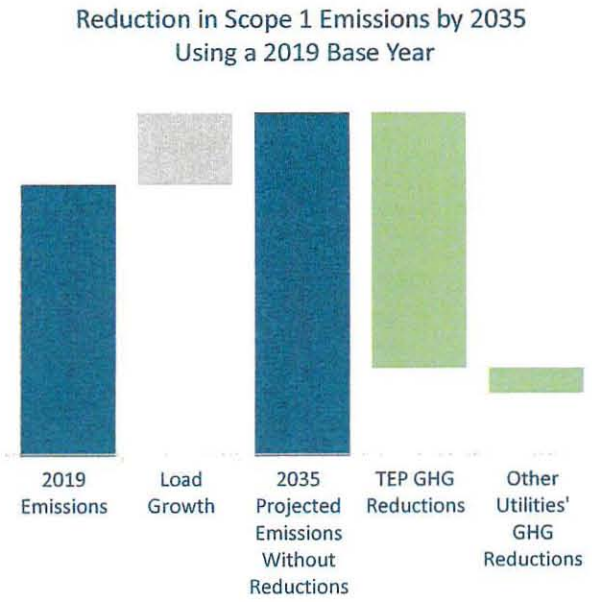
~90% OF SCOPE 1 EMISSIONS ARE CONCENTRATED IN ARIZONA AT TEP

- TEP has an ambitious plan to cut emissions:
  - Exit coal-fired generation by 2032
  - Install ~2,400 MW of new wind and solar and 1,400 MW of battery storage by 2035

FORTIS INC

CORPORATE-WIDE CARBON EMISSIONS REDUCTION TARGET OF 75% BY 2035 COMPARED TO 2019 LEVELS





PROVIDES CUSTOMERS WITH CLEANER ENERGY

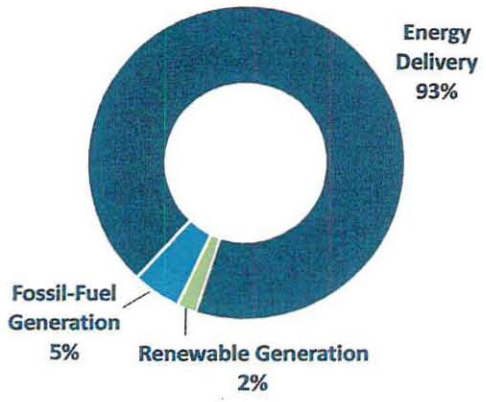
- Industry leader in sustainability with shorter timeframe for reduction and using current base year of 2019
- Focused on reducing Scope 1 emissions
- Target to be largely achieved through TEP's carbon emissions reduction plan
- Sustainability focus and clean energy initiatives throughout company support target

FORTIS INC

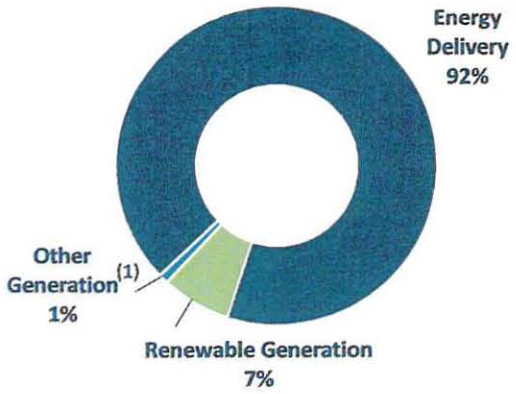
FOCUSED ON ENERGY DELIVERY ASSETS & RENEWABLE, CARBON-FREE GENERATION

BY 2035, **99%** OF FORTIS ASSETS WILL BE ENERGY DELIVERY OR RENEWABLE GENERATION

2019 TOTAL ASSETS



PROJECTED 2035 TOTAL ASSETS



(1) Predominantly natural gas generation

75% BY 2035 TARGET WILL BUILD ON EXISTING LOW-EMISSIONS PROFILE

Focused on initiatives beyond target to reduce Scopes 2 & 3 and global emissions as well:

- FortisBC 30BY30: reduce customer emissions & expand LNG bunkering
- ITC interconnecting renewables
- Wataynikaneyap Transmission Power Project
- Electric vehicle adoption
- Energy efficiency

FORTIS INC.

SUSTAINABILITY LEADER

Continued Focus on
Energy Delivery

Carbon emissions reduction target of
75% by 2035
using a 2019 base year

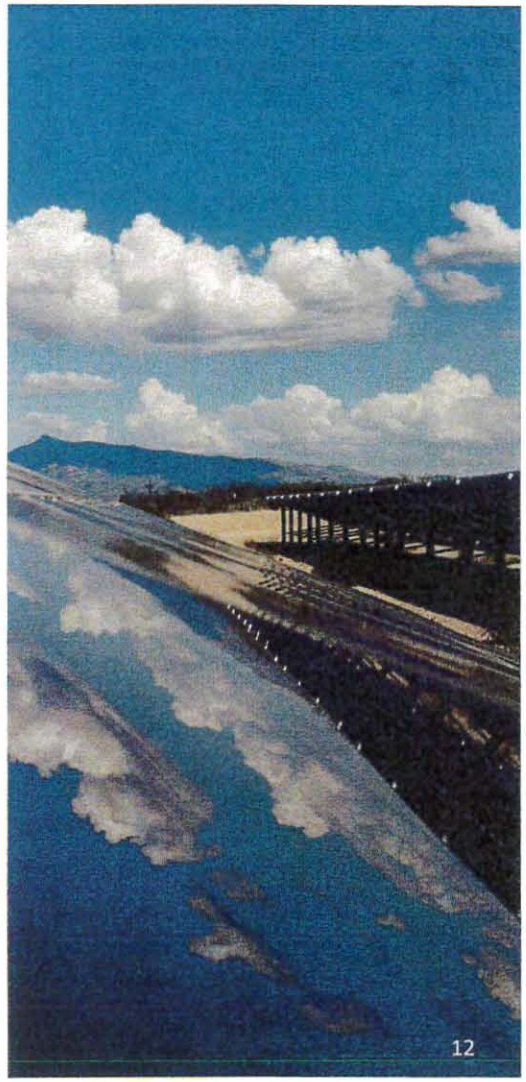
Industry leader in
Safety
and **Reliability**

Industry recognition(1) for
Strong Governance
grounded in local leadership & independence

More than
$12 million
in 2019 community investment

40%
of **Fortis Inc. Directors elected in 2020 are women** and in 2019 we finalized our inclusion and diversity framework

(1) The Globe and Mail ranks over 200 Canadian corporate boards based on the quality of their governance practices. Fortis has been ranked Top 20 in Globe & Mail Board Games for the past five years.



FORTIS INC.

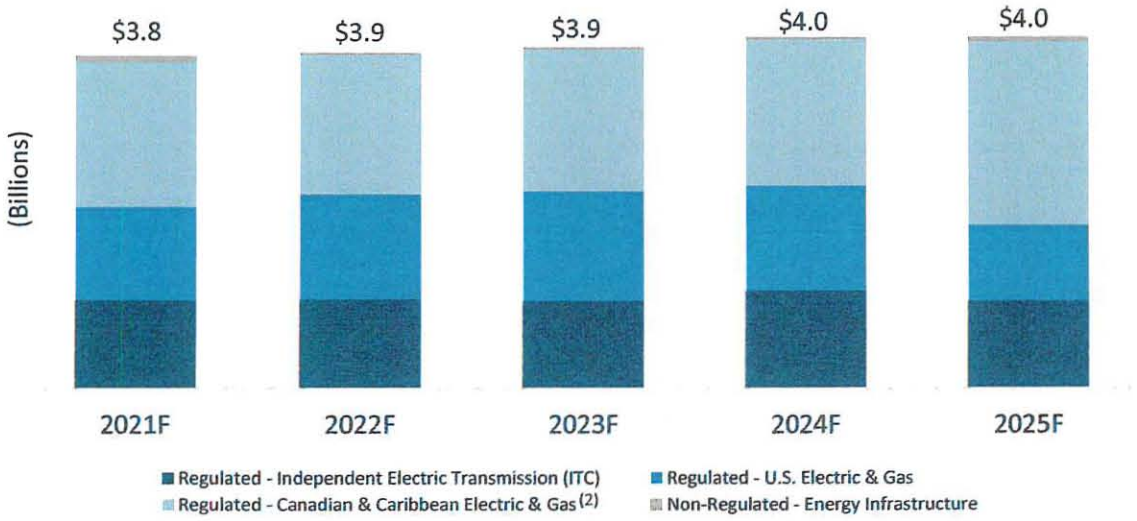
FIVE-YEAR CAPITAL

DAVID HUTCHENS
COO

FORTIS INC.

$19.6B FIVE-YEAR CAPITAL PLAN
$800M INCREASE OVER PRIOR PLAN

BALANCED CAPITAL OVER THE FIVE-YEAR PERIOD[1]



(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of $1.32.
(2) Includes Fortis' 39% share of the Wataynikaneyap Transmission Power Project.

$3.9B ANNUAL AVERAGE

80% Electric 20% Gas

5-Year Capital by Location:

55% U.S.

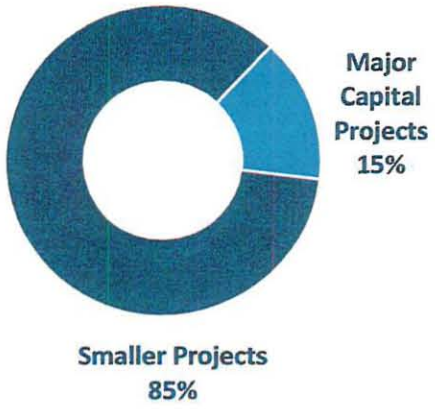
41% Canada

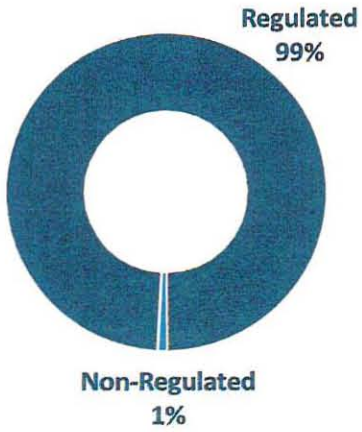
4% Caribbean

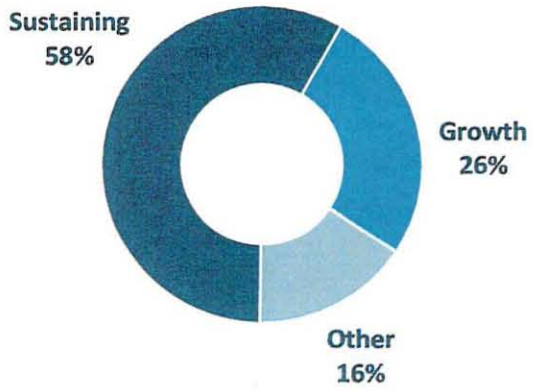
FORTIS INC.

LOW RISK, HIGHLY EXECUTABLE CAPITAL PLAN

CAPITAL PLAN IS FOCUSED ON DELIVERING **SAFE, RELIABLE AND COST-EFFECTIVE** SERVICE TO OUR CUSTOMERS







CAPITAL PLAN CONCENTRATED AT THREE LARGEST UTILITIES

Capital Plan by Segment[1] (billions)	
ITC	$5.1
FortisBC	4.4
UNS Energy	3.8
Other Utilities	2.3
FortisAlberta	2.0
Central Hudson	1.8
Non-Regulated	0.2
Total 2021-2025 Capital Plan	**$19.6**

(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of $1.32.

$5.1B FIVE-YEAR CAPITAL PLAN AT ITC

ITC
A FORTIS COMPANY

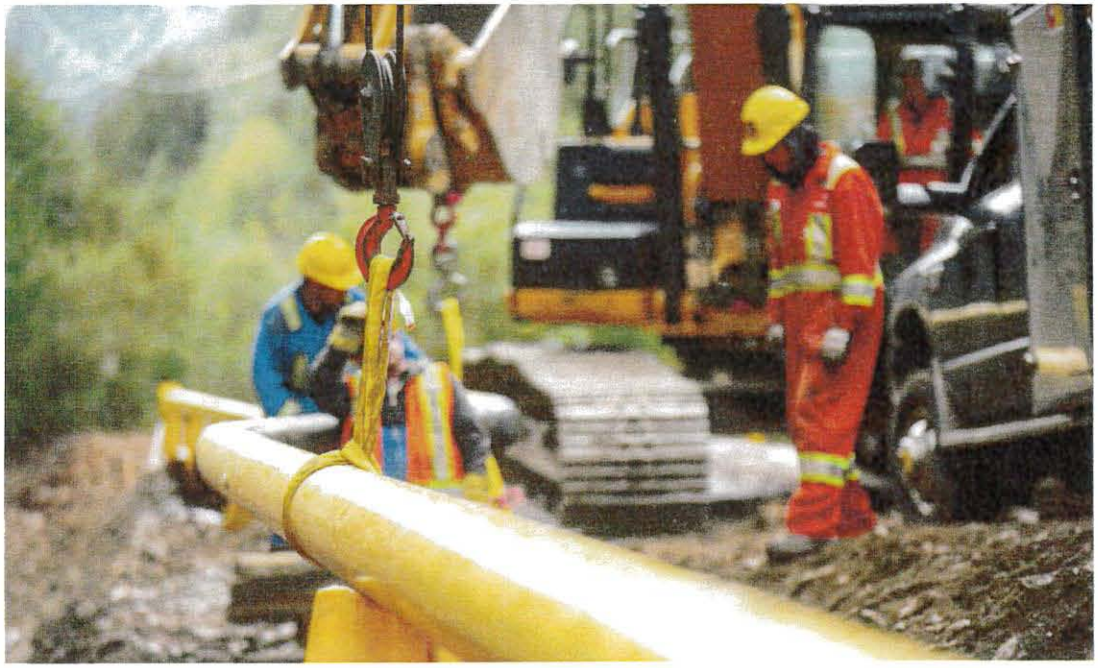
- Infrastructure investments including reliability and resiliency upgrades, increased capacity, etc.
- Physical and cyber investments to enhance grid security
- Interconnections to support 2,800 MW of cleaner energy

Note: US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of $1.32.

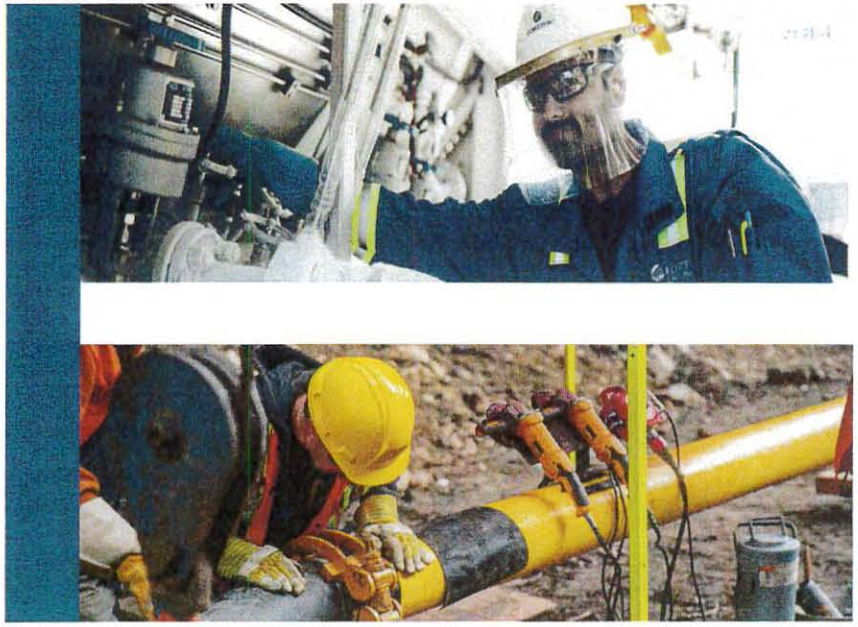
$4.4B FIVE-YEAR CAPITAL PLAN AT FORTISBC

FORTIS BC™

- Major integrity projects including Inland Gas Upgrades Project and Transmission Integrity Management Capabilities Project
- Natural gas infrastructure including a new LNG storage tank
- Automated Gas Metering Infrastructure



TWO NEW MAJOR CAPITAL PROJECTS AT FORTISBC



TILBURY RESILIENCY TANK - ~$200M

- Increase LNG storage at the Tilbury site and increase available regasification capacity to provide short-term backup gas supply
- Project will enhance resiliency in face of system or supply disruptions
- Initial project scope filed with regulators in early 2020 to begin federal impact assessment and provincial environmental assessment required to further expand the Tilbury site

ADVANCED METERING INFRASTRUCTURE (AMI) - ~$250M

- Replacement or retrofitting of residential, commercial and industrial gas meters and installation of ~700,000 by-pass valves
- Project will assist in load management by allowing for remote meter reading on a near real-time basis and remote shutoff of gas flow

$3.8B FIVE-YEAR CAPITAL PLAN AT UNS ENERGY

UNS Energy Corporation
A Fortis Company

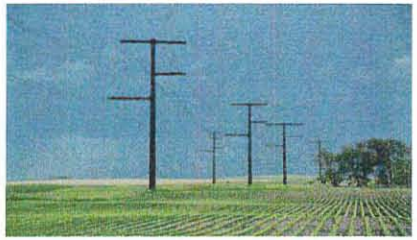
- Distribution investments including customer meter infrastructure and grid resiliency and modernization
- Vail to Tortolita Transmission Project
- Transition to cleaner energy

Note: US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of $1.32.

OPPORTUNITIES TO EXPAND & EXTEND CAPITAL PLAN

ITC

- Significant renewable capacity and battery storage in MISO and SPP queues[1]
- Need for additional regional transmission projects to facilitate renewables in queue (MISO multi-value projects at capacity)
- Hardening of physical assets and fibre networks
- Lake Erie Connector Project (~$1B+)



UNS

- 2020 Integrated Resource Plan (IRP) filed in June outlined TEP's ambitious and realistic sustainability objectives including coal-free generation mix by 2032
  - Total opportunity of ~$4-6B

FortisBC

- Further develop Tilbury to position BC as a marine bunkering hub
- Long-term contracted LNG export opportunities
- Southern Crossing Gas Transmission Expansion for market expansion and resiliency
- Target of 30% reduction in customer GHG emissions by 2030
- Renewable gas target of 15% by 2030

CUC

- Achieve local government goal of 70% renewable energy by 2037 through IRP

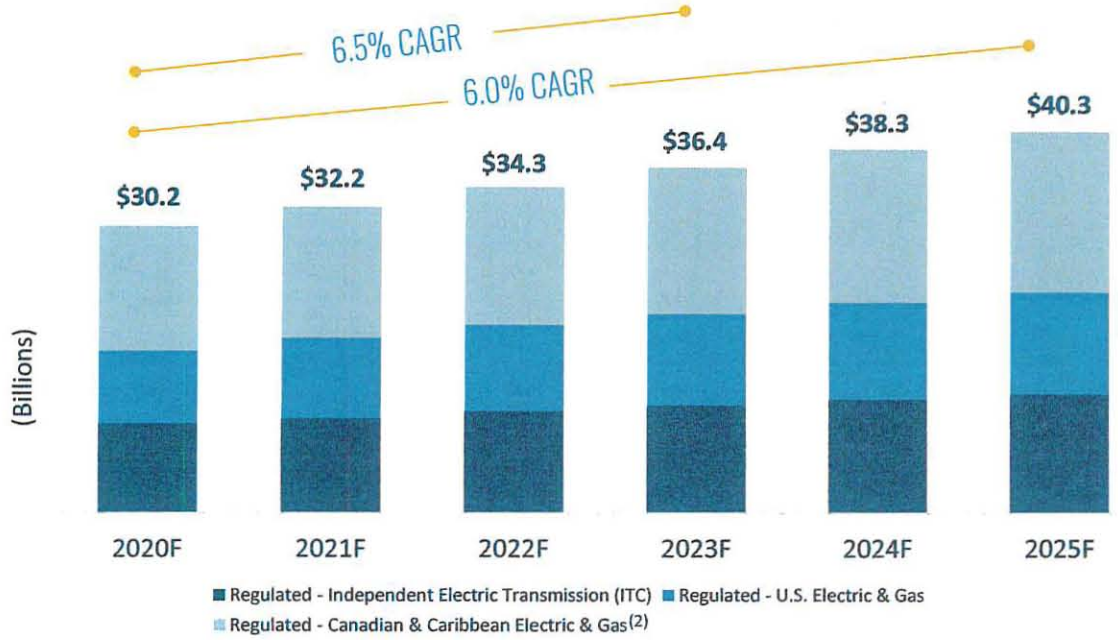
(1) 101 GW and 92 GW of additional renewable capacity in MISO and SPP queues; 4 GW and 9 GW of battery storage in MISO and SPP queues as at August 31, 2020.

FINANCIAL OUTLOOK

JOCELYN PERRY
EVP & CFO

FORTIS INC.

CONSOLIDATED RATE BASE



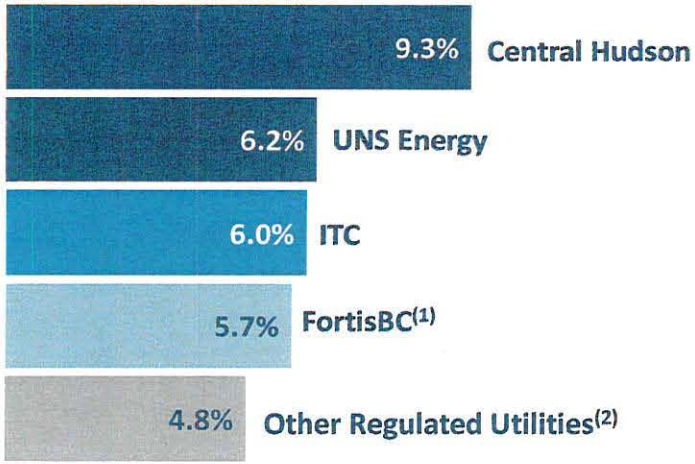
(1) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of $1.32.
(2) Includes Fortis' share of the rate base of the Wataynikaneyap Transmission Power Project.

$40.3B IN RATE BASE BY 2025(1)

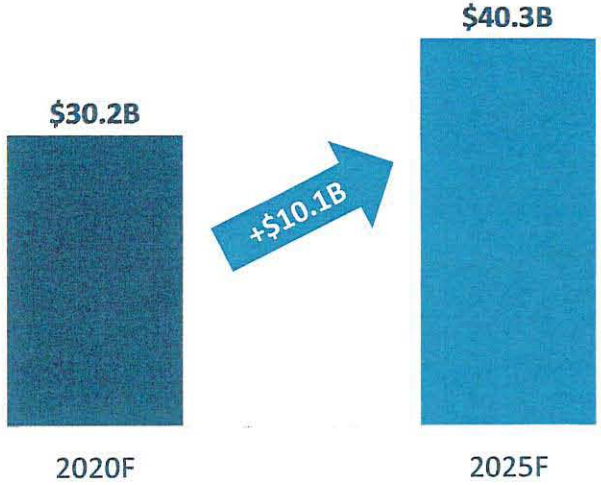
- Rate base grows by ~$10B over the five-year period
- Growth driven by asset resiliency, modernization and cleaner energy initiatives

STRONG RATE BASE GROWTH ACROSS PORTFOLIO OF UTILITIES

5-YEAR RATE BASE CAGR OF ~6%



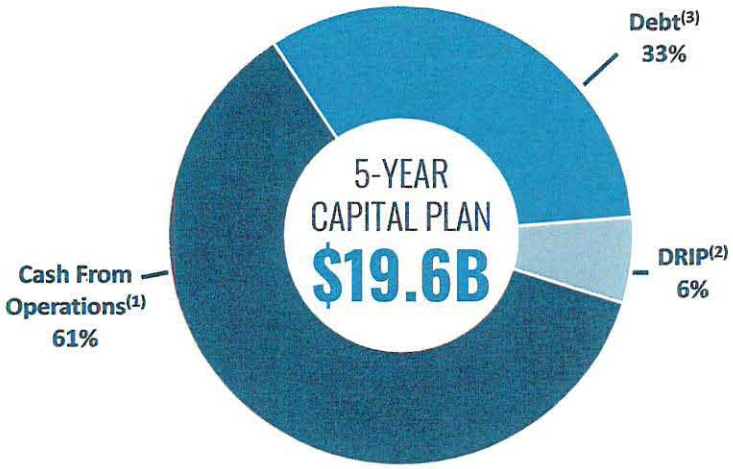
RATE BASE(3)



(1) Includes energy efficiency programs that are included in rate base but are not included in capital forecast.
(2) Comprises FortisAlberta and Other Electric segment.
(3) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of $1.32.

FORTIS INC.

2021-2025 FUNDING PLAN



(1) Cash from operations after dividends and including customer contributions. This is a non-US GAAP measure.
(2) Includes funds from the Corporation's dividend reinvestment and employee stock purchase and options plans.
(3) Regulated and corporate debt issuances, net of repayments.
(4) Funding plan assumes DRIP participation of ~20% upon 2% discount being reinstated compared to current participation levels of ~5%.

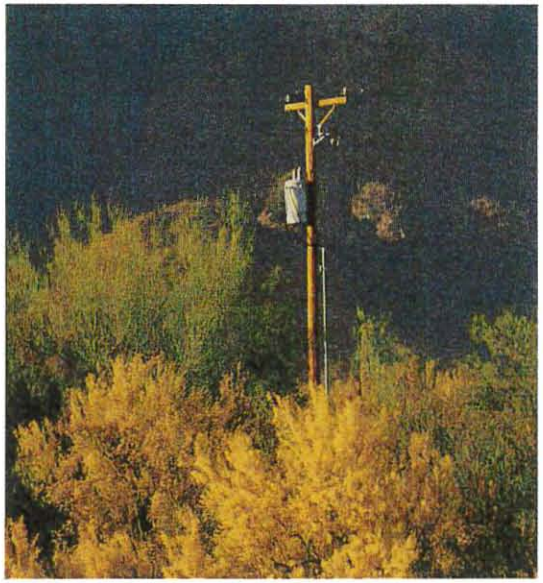
MAINTAINING INVESTMENT-GRADE CREDIT RATINGS

- Acceleration of equity funding in late 2019
- Debt primarily at operating utilities
- Subsidiary balance sheets reflect approved capital structures by regulators
- 2% DRIP discount reinstated(4)
- Ample liquidity

INVESTMENT-GRADE CREDIT RATINGS

CREDIT RATINGS

S&P Global	A-(1)
Moody's	Baa3
DBRS Morningstar	BBB (High)(2)



"The ratings affirmation on Fortis and subsidiaries reflect the parent's execution of its deleveraging plan over the past year and improved financial measures... Our view of Fortis' business risk profile as excellent has not changed."
- *S&P Global Credit Opinion (March 27, 2020)*

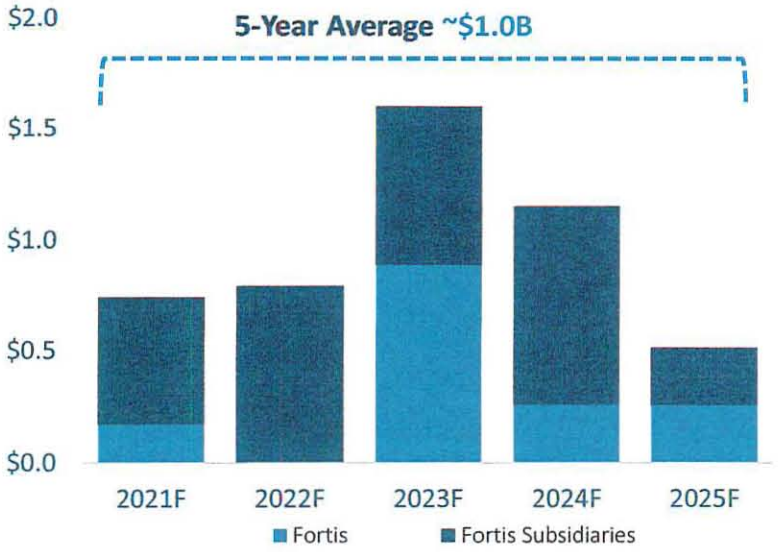
"Fortis has a very strong business risk profile, which is a key credit strength. About 99% of its cash flow comes from a diverse portfolio of low risk investment grade regulated utilities... Fortis has a highly diversified portfolio of utilities operating in what are largely credit supportive environments, a key credit strength... Financial or regulatory issues at any one utility in isolation would be unlikely to severely affect Fortis Inc."
- *Moody's Credit Opinion (August 27, 2020)*

(1) S&P rating reflects the issuer credit rating. Fortis' unsecured debt rating is BBB+. In March 2020 S&P maintained the negative outlook due to COVID-19.
(2) In May 2020 DBRS Morningstar changed the trend to positive from stable.

FORTIS INC

MANAGEABLE DEBT MATURITIES & STRONG LIQUIDITY

CONSOLIDATED FIXED-TERM DEBT MATURITIES[1] ($B)



LIQUIDITY ($B)

(1) Debt as at June 30, 2020 and excludes any new debt issuances during the forecast period. Excludes repayments of finance leases along with the current portion of credit facilities, which are assumed to be extended by one-year annually.
(2) Net of cash on hand.

~$3B IN LONG-TERM DEBT ISSUED YEAR-TO-DATE 2020

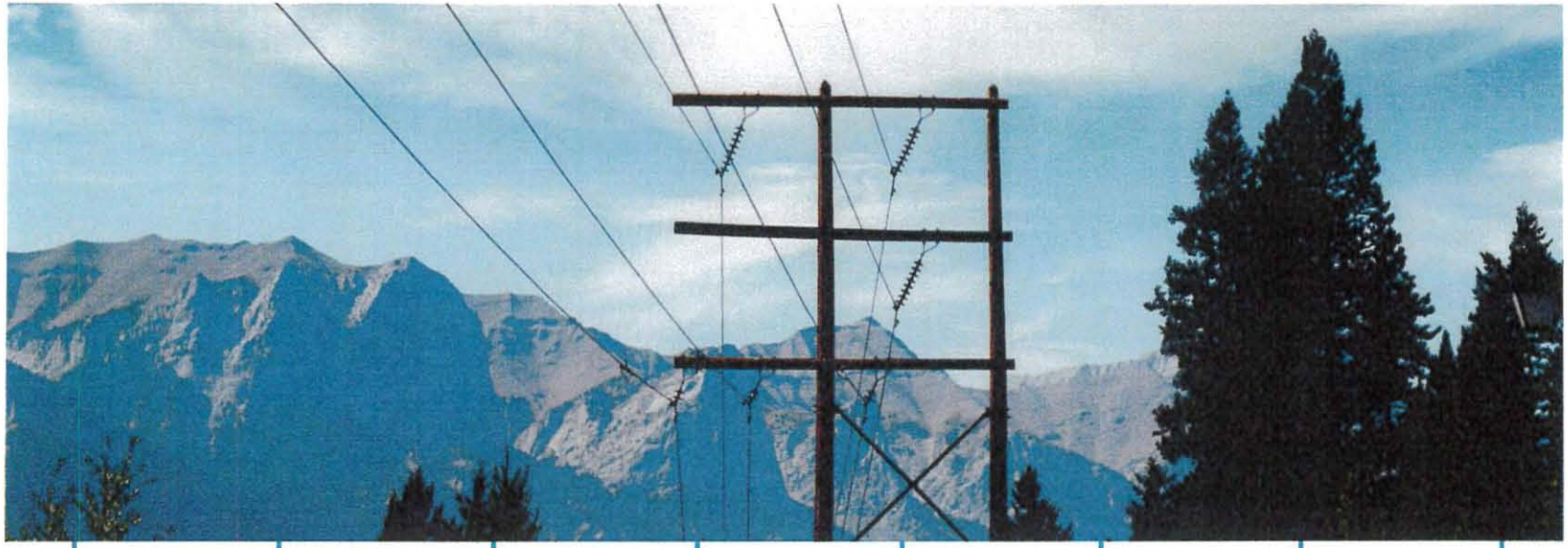
- Strong access to debt markets
- Highlighted by inaugural green bonds at FortisBC and TEP
  - FortisBC - $200M 30-year 2.54%
  - TEP – US$300M 10-year 1.50%

FORTIS INC.

UPDATE ON REGULATORY PROCEEDINGS

ITC – A FORTIS COMPANY	• **Notice of Proposed Rulemaking (NOPR) on Incentives** – Transmission Incentive NOPR issued in March 2020; comments filed July 1, 2020 and awaiting next steps
UNS Energy Corporation – A Fortis Company	• **TEP General Rate Application** – Hearings concluded in June 2020; decision expected in late 2020
People. Power. Possibilities. Central Hudson – A FORTIS COMPANY	• **2020 Rate Increase Delayed** – July 1, 2020 rate increase postponed until October 1, 2020 due to COVID-19; revenues to be deferred and collected over remaining nine months of rate year • **General Rate Application** – Rate case filed on August 27, 2020 with NYPSC requesting an electric rate increase of US$33 million and gas delivery rate increase of US$14 million; decision expected in mid-2021
FORTIS ALBERTA	• **Generic Cost of Capital Proceeding** – Currently approved ROE and equity thickness parameters will be extended quarterly, and on a final basis, until the AUC renders a decision in the ongoing proceeding • **AESO Tariff Application** – Additional procedural steps to be completed by September 2020; decision expected in late 2020

WHY INVEST IN FORTIS?



- Well-Run Businesses
- ESG Leader
- Highly Diversified
- Focused on Energy Delivery
- Innovative
- Strong Growth Profile
- Virtually All Regulated
- 6% Dividend Guidance

2021-2025 FIVE-YEAR OUTLOOK CONFERENCE CALL

SEPTEMBER 23, 2020

FORTIS INC.

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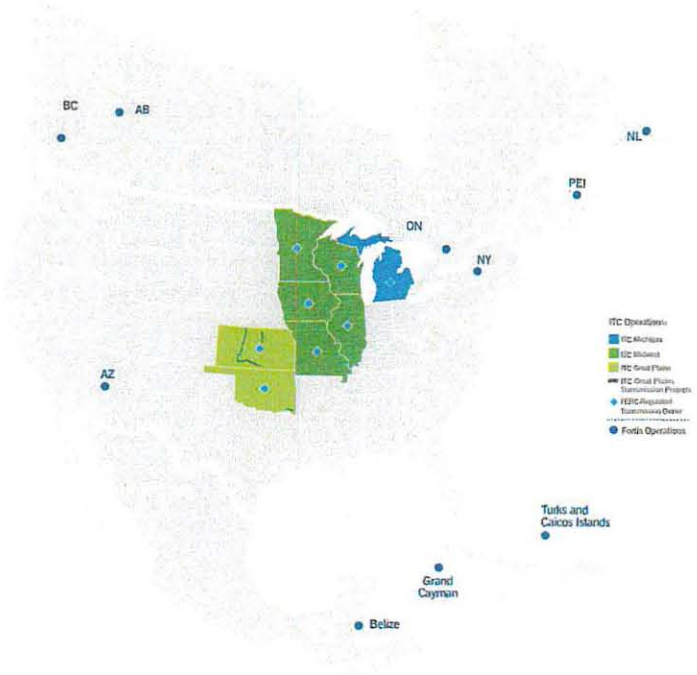
FORTIS INC

ITC HOLDINGS CORP.



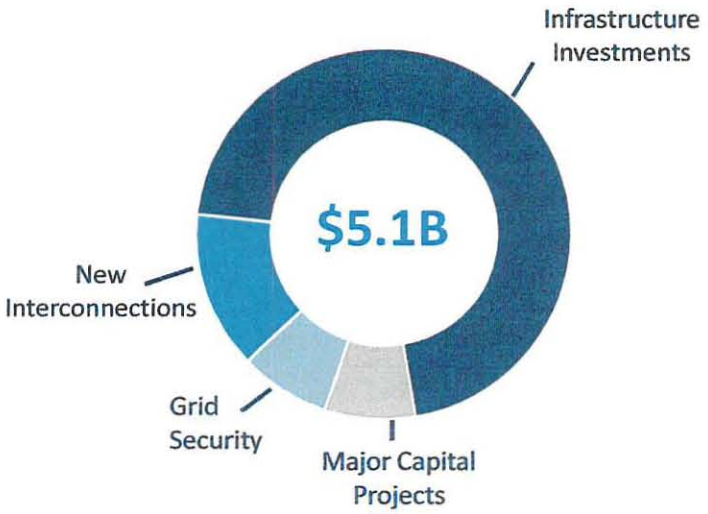
ITC
A FORTIS COMPANY

Type of Utility	Transmission
Regulator	FERC
Regulatory Model	Cost of Service with FERC Formula Rates
Current Regulatory Construct	10.77-11.41% ROE on 60% equity
Significant Regulatory Features	Cost-based, forward-looking formula rates with annual true-up
2020F Rate Base[1]	$9.4B
5-Year Rate Base CAGR	6.0%
2019 Assets % of Total Consolidated Regulated Assets[2]	38%
Development Opportunities[3]	Lake Erie Connector, Connecting Renewables & Grid Modernization
Regulatory Proceeding	Notice of Proposed Rulemaking on Incentive Policy

(1) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of $1.32.
(2) Includes goodwill
(3) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

ITC CAPITAL INVESTMENT OVERVIEW

2021-2025 CAPITAL[1]



$3.6B Infrastructure Investments
Rebuild, reliability, resiliency, system efficiencies, increased capacity, circuit overloads, pocket load growth

$700M New Interconnections
Supports economic development, load interconnection requests and changes in generation sources

$400M Grid Security
Physical and cyber hardening along with technology upgrades

$400M Major Capital Projects
Multi-Value Regional Transmission Projects & 34.5 to 69kV Transmission Conversion Project

(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of $1.32.

ITC MAJOR CAPITAL PROJECTS

Major Capital Projects ($M)	Expected to be incurred to the end of 2020[1]	Total 2021-2025 Forecast	Expected Year of Completion
Multi-Value Regional Transmission Projects	637	261	2023

- MVP 5 Hickory Creek Line comprised of ~100-mile 345kV transmission line from Iowa to Wisconsin
- ITC has ~45% ownership in joint venture with ATC and Dairyland Power Cooperative
- The project is expected to improve reliability locally and regionally, deliver economic benefits for consumers and utilities, all while helping to further the use of renewables

34.5 kV to 69 kV Transmission Conversion Project	451	148	Post-2025

- 22-year investment program required to rebuild and convert 34.5 kV lines to 69 kV standards
- Aged system past its useful life and radial versus networked
- ~640 miles included in rebuild
- 149 circuits to be converted or retired as part of the conversion plan

(1) Reflects capital expenditures since date of acquisition of October 14, 2016.

FORTIS INC.

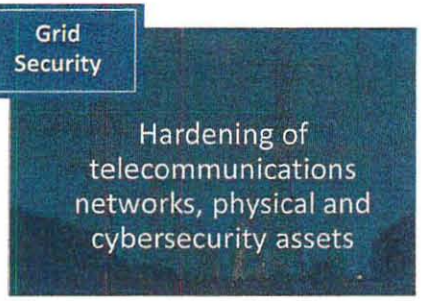
ITC BUILDING THE GRID OF THE FUTURE

OPPORTUNITIES BEYOND THE PLAN

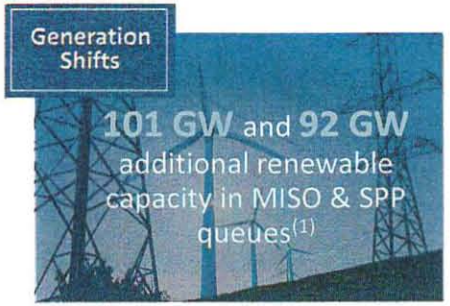
New Technologies

Access to Regional Markets

Grid Security



Generation Shifts



(1) Information as at August 31, 2020.
(2) Total invested up to June 30, 2020.

~16,000
Miles of Transmission

565
Substations

~6,800 MW
Wind Energy Connected

US $9.1B
Invested Since Inception(2)

FORTIS INC.

UNS ENERGY

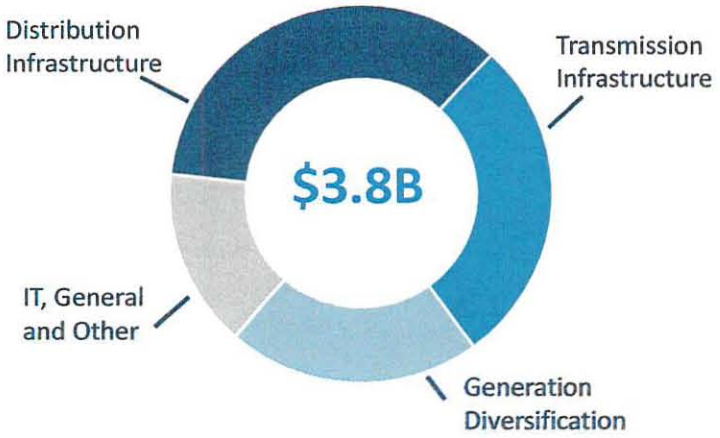
UNS Energy Corporation
A Fortis Company

	Tucson Electric	UNS Electric	UNS Gas
Type of Utility	Electricity		Gas Distribution
Regulator	Arizona Corporation Commission & FERC		
Regulatory Model	Cost of service/historical test year & FERC formula transmission rates		
Current Regulatory Compact	9.75% ROE on 50% equity	9.5% ROE on 52.8% equity	9.75% ROE on 50.8% equity
2020F Rate Base[1]	$5.6B		
5-Year Rate Base CAGR	6.2%		
2019 Assets % of Total Consolidated Regulated Assets[2]	20%		
Development Opportunities[3]	Renewables, Storage & Electric Transmission		
Regulatory Proceedings	TEP General Rate Application & Hearing and Settlement Procedures for FERC Formula Rate Application		

(1) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of $1.32.
(2) Includes goodwill
(3) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

UNS CAPITAL INVESTMENT OVERVIEW

2021-2025 CAPITAL[1]



$1.3B Distribution Infrastructure
Customer meter infrastructure, grid resiliency, modernization

$1.1B Transmission Infrastructure
Vail to Tortolita, new substations

$800M Generation Diversification
Battery storage, solar

$600M IT, General and Other
Supports technology, efficiency and sustainment

(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of $1.32.

UNS MAJOR CAPITAL PROJECTS

Major Capital Projects ($M)	Expected to be incurred to the end of 2020	Total 2021-2025 Forecast	Expected Year of Completion
Vail to Tortolita Transmission Project[1]	-	244	2023

- Includes the construction of an upgraded 230kV transmission line within TEP's service territory
- Improves reliability and facilitates the connection of renewable energy resources to the grid
- Construction expected to begin in early 2022 with an in-service date of 2023

Oso Grande Wind Project	579	-	2021

- TEP owns 250 MW under a build-transfer agreement that will be interconnected to existing transmission for delivery of the wind power to TEP customers
- Oso Grande Wind Project complements TEP's existing renewable solar generation portfolio
- Construction began in 2019 and is expected to be commissioned in 2021

(1) The Vail to Tortolita transmission project was previously disclosed as a phase of the Southline transmission project.

FORTIS INC.

ARIZONA FOCUSED ON RENEWABLES

~460 MW of New Wind, Solar and Storage

3,400 MW Planned Additions of Wind, Solar and Storage

2020-2021 → **2022-2035**

1,073 MW Planned Coal Retirements Complete Exit from Coal by 2032

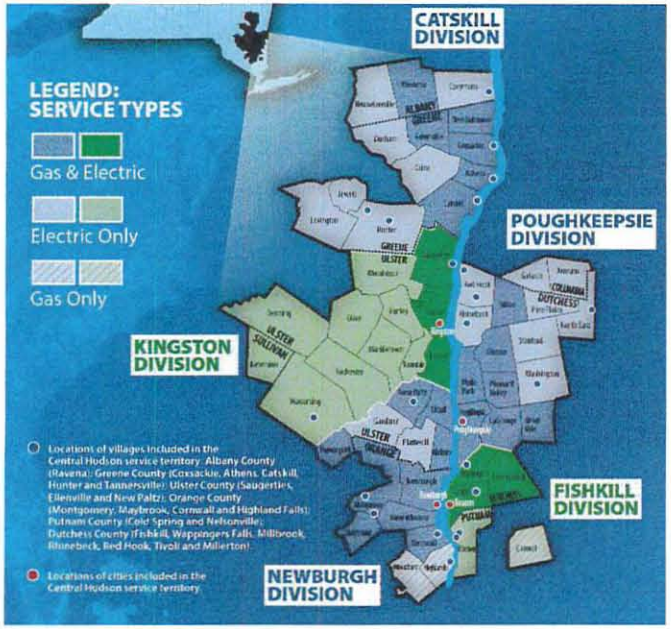
-170 MW	-387 MW	-110 MW	-406 MW
2022	2027	2031	2032

FORTIS INC.

TEP INTEGRATED RESOURCE PLAN FILED IN JUNE 2020

- TEP expects to have coal-free generation mix by 2032
- TEP's power will be more than 70% renewable by 2035

CENTRAL HUDSON



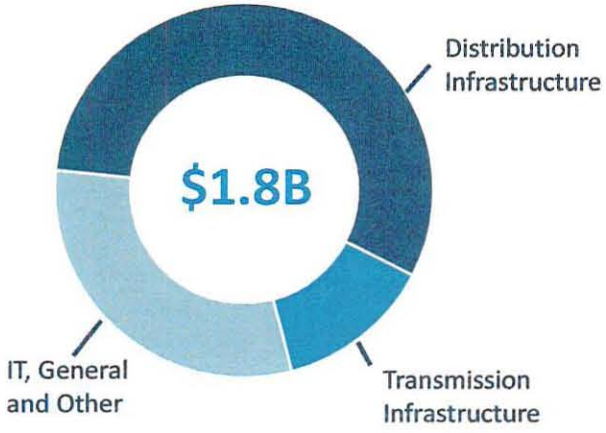
People. Power. Possibilities.
Central Hudson
A FORTIS COMPANY

Type of Utility	Gas and Electricity
Regulator	New York State Public Service Commission
Regulatory Model	Cost of service on future test year
Current Regulatory Compact	8.8% ROE on 50% equity
Significant Regulatory Features	Revenue decoupling
2020F Rate Base[1]	$2.1B
5-Year Rate Base CAGR	9.3%
2019 Assets % of Total Consolidated Regulated Assets[2]	7%
Development Opportunities[3]	Grid Modernization
Regulatory Proceeding	General Rate Application COVID-19 Generic Proceeding

(1) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of $1.32.
(2) Includes goodwill
(3) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

CENTRAL HUDSON CAPITAL INVESTMENT OVERVIEW

2021-2025 CAPITAL[1]



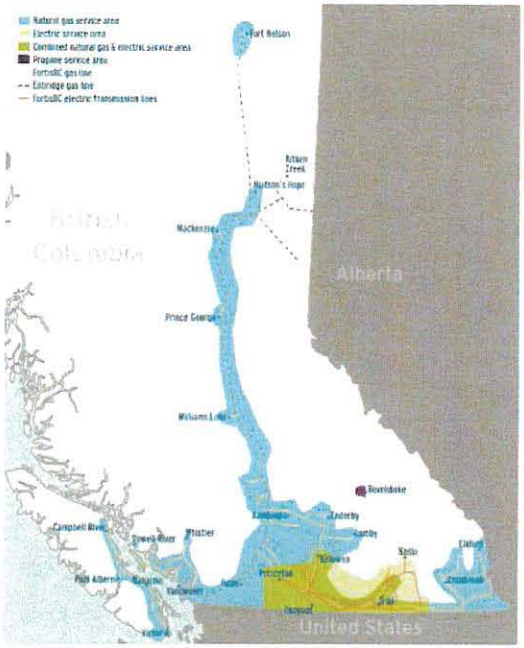
$1.0B Distribution Infrastructure
Distribution automation and modernization

$240M Transmission Infrastructure
Replacement of aging infrastructure

$550M IT, General and Other Modernization
Building the Workforce of the Future

(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of $1.32.

FORTISBC



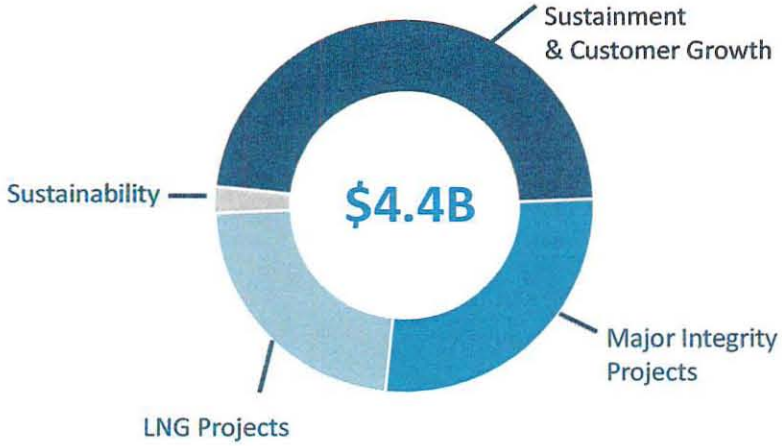
FORTIS BC™

	FortisBC Gas	FortisBC Electric
Type of Utility	Gas distribution	Electricity
Regulator	British Columbia Utilities Commission	
Regulatory Model	Cost of service with incentive mechanisms	
Current Regulatory Compact	8.75% ROE on 38.5% equity	9.15% ROE on 40.0% equity
Significant Regulatory Features	Multi-year rates with revenue deferrals – changes in consumption and commodity costs do not impact earnings	
2020F Rate Base	$5.0B	$1.4B
5-Year Rate Base CAGR	6.2%	3.8%
2019 Assets % of Total Consolidated Regulated Assets[1]	14%	4%
Development Opportunities[2]	LNG for Marine Bunkering, LNG Bulk Export & Gas Infrastructure	N/A

(1) Includes goodwill
(2) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

FORTISBC CAPITAL INVESTMENT OVERVIEW

2021-2025 CAPITAL



$2.1B Sustainment & Customer Growth

Ongoing maintenance requires significant capital investment
Includes customer growth and general plant investment

$1.2B Major Integrity Projects

Inland Gas Upgrades Project
Transmission Integrity Management Capabilities Project
Advanced Metering Infrastructure

$1.0B LNG Projects

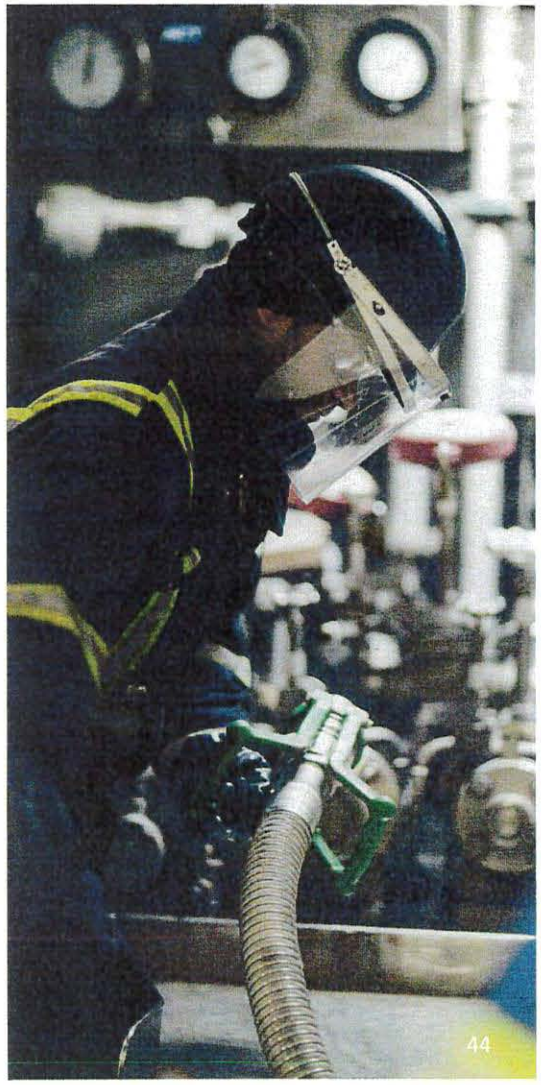
Eagle Mountain Woodfibre Gas Line Project
Tilbury 1B
Tilbury Resiliency Tank

$100M Sustainability

Renewable Gas Projects
Natural gas for transportation

FORTISBC MAJOR CAPITAL PROJECTS

Major Capital Projects ($M)	Expected to be incurred to the end of 2020	Total 2021-2025 Forecast	Expected Year of Completion
Eagle Mountain Woodfibre Gas Project	-	350	2025
• 47-km gas line will service a small-scale, third-party owned facility for export to Asian market • Woodfibre facility will export up to 2.1 MTPA of LNG for 40 years • Contingent on Woodfibre LNG making a final investment decision			
Transmission Integrity Management Capabilities Project	19	441	Post-2025
• Improves gas line safety and integrity; includes gas line modification and looping • Certificate of Public Convenience and Necessity ("CPCN") application expected to be filed by early 2021 • Construction expected to commence in late 2021			
Inland Gas Upgrades Project	55	230	2025
• Key tool to confirm integrity of transmission gas lines • Multi-year risk mitigation project for 29 transmission pressure lateral gas lines (400 kms) • CPCN application approval received in Q1 2020 • Construction expected to start in late 2020			



FORTIS INC.

FORTISBC MAJOR CAPITAL PROJECTS (CONTINUED)

Major Capital Projects ($M)	Expected to be incurred to the end of 2020	Total 2021-2025 Forecast	Expected Year of Completion
Tilbury 1B	9	376	2025

- Construction of additional liquefaction and dispensing in support of optimizing the existing investment in Tilbury Phase 1A Expansion Project
- Order-in-Council received from BC government allowing for $400 million of regulated investment

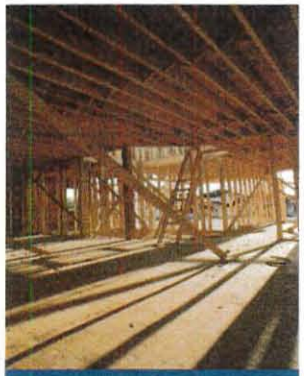
Tilbury Resiliency Tank	9	209	Post-2025

- Increase LNG storage at the Tilbury site and increase available regasification capacity to provide short-term backup gas supply
- Project will enhance resiliency in face of system or supply disruptions
- Initial project scope filed with regulators in early 2020 to begin federal impact assessment and provincial environmental assessment required to further expand the Tilbury site
- CPCN application expected to be filed by early 2021

Advanced Metering Infrastructure	-	247	Post-2025

- Replacement or retrofitting of residential, commercial and industrial gas meters and installation of ~700,000 by-pass valves
- Project will assist in load management by allowing for remote meter reading on a near real-time basis and remote shutoff of gas flow
- CPCN application expected to be filed by early 2021

FORTISBC'S CLEAN GROWTH PATHWAY
30% GHG REDUCTION BY 2030



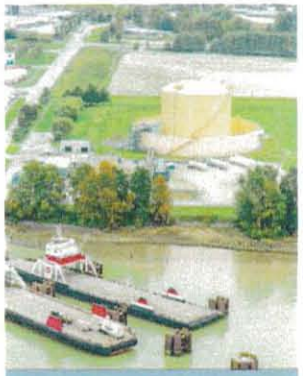
Energy Efficiency

Conservation & Efficiency Programs Increased to ~$370M for 2019-2022

Renewable Natural Gas

Currently Utilizing Renewable Natural Gas[1]

Regulatory Approval Received at FortisBC's largest RNG project to date[2]



LNG

Positioning BC as a Domestic & International Bunkering Hub

Exploring bulk export opportunities for Tilbury

Zero & Low-Carbon Transportation

FortisBC Owns and Operates 25 EV Charging Stations[3]

Owns and Operates 15 Compressed Natural Gas Stations

(1) Locations include Sea Breeze Dairy Farm, Surrey Biofuel Facility, Fraser Valley Biogas, Salmon Arm Landfill (owned and operated by FortisBC) & Glenmore Landfill (owned and operated by FortisBC).
(2) Renewable Natural Gas production at Vancouver Landfill
(3) Includes 23 fast-charging stations and 2 level-two chargers.

FORTIS INC

FORTISALBERTA

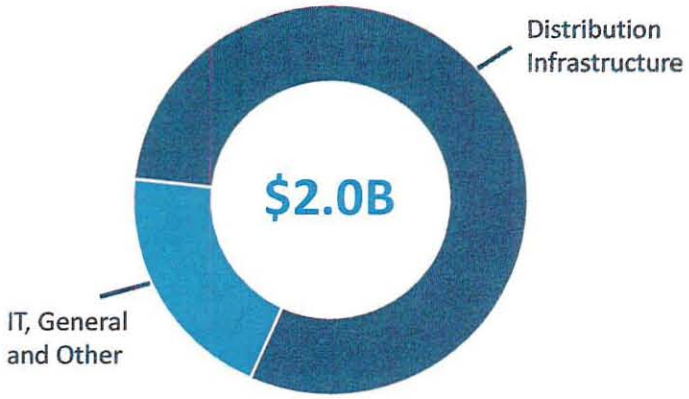
FORTIS ALBERTA

Type of Utility	Electricity distribution
Regulator	Alberta Utilities Commission
Regulatory Model	PBR
Current Regulatory Compact	8.5% ROE on 37% equity
Significant Regulatory Features	~85% of revenue derived from fixed-billing determinants
2020F Rate Base	$3.7B
5-Year Rate Base CAGR	3.0%
2019 Assets % of Total Consolidated Regulated Assets[1]	9%
Regulatory Proceedings	AESO Customer Contribution Policy Decision Review and Variance Application & 2021 Generic Cost of Capital

(1) Includes goodwill

FORTISALBERTA CAPITAL INVESTMENT OVERVIEW

2021-2025 CAPITAL



$1.6B Distribution Infrastructure
Safety & reliability of distribution assets, meter upgrades, pole management program, modernization

$400M IT, General and Other

OTHER ELECTRIC UTILITIES

	Newfoundland Power	Maritime Electric	FortisOntario [1]
Type of Utility	Electricity		
Regulator	Newfoundland and Labrador Board of Commissioners of Public Utilities	Island Regulatory and Appeals Commission	Ontario Energy Board
Regulatory Model	Cost of service on future test year	Cost of service on future test year	Cost of service with incentives
Current Regulatory Compact	8.50% ROE on 45% equity	9.35% ROE on 40% equity	8.52% - 9.30% ROE on 40% equity[2]
2020F Rate Base	$1.2B	$0.4B	$0.3B
5-Year Rate Base CAGR	3.4%	4.7%	20.5%[3]
2019 Assets % of Total Consolidated Regulated Assets[4]	3%	1%	1%
Development Opportunities[5]	Grid Modernization	Grid Modernization	Municipal Utility Consolidation

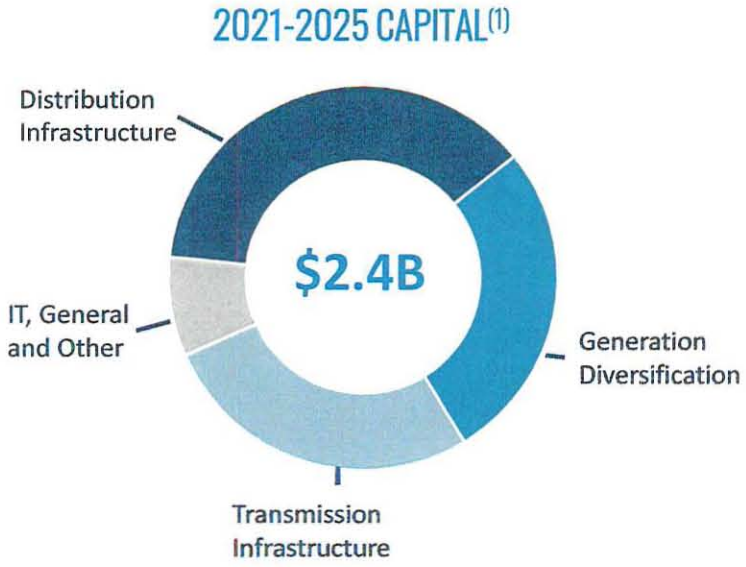
(1) Includes Canadian Niagara Power, Cornwall Electric, Algoma Power and Fortis' 39% ownership of the Wataynikaneyap Transmission Power Project.
(2) Allowed ROE is 8.52% for Algoma Power, 8.78% for Canadian Niagara Power distribution and 9.30% for Canadian Niagara Power transmission. Cornwall Electric operates under a franchise agreement with a price-cap and commodity cost flow through and, therefore, is not regulated with reference to an allowed ROE.
(3) Reflects Fortis' 39% ownership of the Wataynikaneyap Transmission Power Project
(4) Includes goodwill
(5) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

OTHER ELECTRIC UTILITIES (CONTINUED)

	Caribbean Utilities [1]	FORTIS TCI
Type of Utility	Electricity	
Regulator	Utility Regulation and Competition Office	Government of the Turks and Caicos Islands
Regulatory Model	Cost of service	Cost of service
2019 Achieved ROE	12.10%	8.00%
2020F Rate Base[2]	$0.7B	$0.5B
5-Year Rate Base CAGR	8.8%	1.7%
2019 Assets % of Total Consolidated Regulated Assets[3]	2%	1%
Development Opportunities[4]	Grid Modernization, Battery Storage & Renewables	

(1) Fortis has an approximate 60% controlling interest in Caribbean Utilities Company, Ltd.
(2) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of $1.32.
(3) Includes goodwill
(4) Development opportunities are not included in the base capital forecast and represent incremental capital spending.

OTHER ELECTRIC CAPITAL INVESTMENT OVERVIEW



$900M Distribution Infrastructure
Newfoundland Power and Caribbean Utilities

$650M Generation Diversification
Caribbean Utilities shift to cleaner energy

$650M Transmission Infrastructure
Wataynikaneyap Transmission Power Project

$200M IT, General and Other

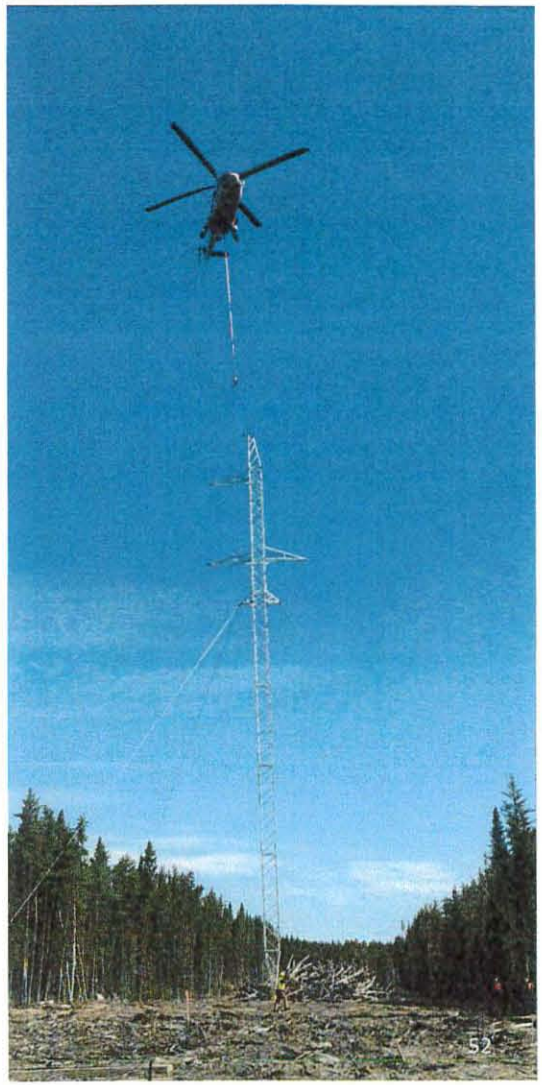
(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of $1.32.

OTHER ELECTRIC MAJOR CAPITAL PROJECTS

Major Capital Projects ($M)	Expected to be incurred to the end of 2020	Total 2021-2025 Forecast	Expected Year of Completion
Wataynikaneyap Transmission Power Project[1]	252	479	2023

- Partnership with 24 First Nations to connect remote communities in Northern Ontario to the grid via 1,800 km transmission line
- Project received financial close in late 2019 and leaved to construct was issued by the Ontario Energy Board in April 2019
- Project targeted to be complete by the end of 2023

(1) Represents Fortis' 39% share of the estimated capital spending for the project, including deferred development costs.



FORTIS INC.

2020-2025 RATE BASE BY SEGMENT

	Rate Base[1]						
($billions)	2020F	2021F	2022F	2023F	2024F	2025F	5-Year CAGR to 2025
Regulated - Independent Electric Transmission							
ITC[2]	9.4	9.9	10.6	11.3	11.9	12.5	6.0%
Regulated - US Electric & Gas							
UNS Energy	5.6	6.2	6.7	7.0	7.3	7.6	6.2%
Central Hudson	2.1	2.3	2.5	2.7	3.0	3.2	9.3%
Total Regulated - US Electric & Gas	7.7	8.5	9.2	9.7	10.3	10.8	7.1%
Regulated - Canadian & Caribbean Electric & Gas							
FortisBC Energy	5.0	5.2	5.4	5.7	6.2	6.8	6.2%
FortisAlberta	3.7	3.8	3.9	4.0	4.1	4.2	3.0%
FortisBC Electric	1.4	1.5	1.5	1.6	1.7	1.7	3.8%
Other Electric[3]	3.0	3.3	3.7	4.1	4.1	4.3	6.8%
Total Regulated - Canadian & Caribbean Electric & Gas	13.1	13.8	14.5	15.4	16.1	17.0	5.3%
Total Rate Base Forecast	**30.2**	**32.2**	**34.3**	**36.4**	**38.3**	**40.3**	**6.0%**

(1) US dollar-denominated rate base translated at a forecast USD:CAD foreign exchange rate of $1.32.
(2) Fortis has an 80.1% controlling ownership interest in ITC, rate base represents 100% ownership.
(3) Comprises Eastern Canadian and Caribbean electric utilities.

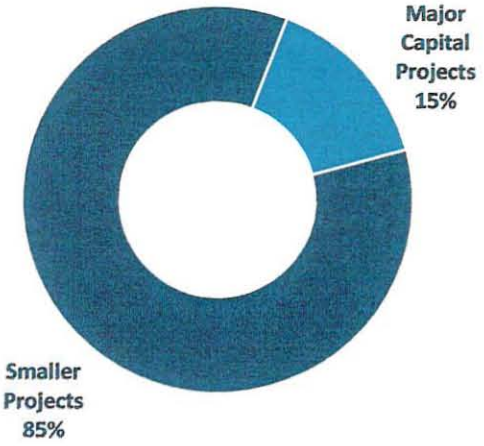
2021-2025 CAPITAL PLAN BY SEGMENT

	Capital Forecast[1]					
($millions)	2021F	2022F	2023F	2024F	2025F	2021-2025 TOTAL
Regulated - Independent Electric Transmission						
ITC	1,000	1,007	993	1,107	993	5,100
Regulated - US Electric & Gas						
UNS Energy	749	781	840	853	547	3,770
Central Hudson	306	416	409	346	310	1,787
Total Regulated - US Electric & Gas	1,055	1,197	1,249	1,199	857	5,557
Regulated - Canadian & Caribbean Electric & Gas						
FortisBC Energy	467	569	671	788	1,238	3,733
FortisAlberta	346	367	413	438	468	2,032
FortisBC Electric	153	130	112	111	132	638
Other Electric[2]	721	560	453	368	307	2,409
Total Regulated - Canadian & Caribbean Electric & Gas	1,687	1,626	1,649	1,705	2,145	8,812
Non-Regulated	71	13	17	21	46	168
Total Capital Forecast	**3,813**	**3,843**	**3,908**	**4,032**	**4,041**	**19,637**

(1) US dollar-denominated capital expenditures translated at a forecast USD:CAD foreign exchange rate of $1.32.
(2) Comprises Eastern Canadian and Caribbean electric utilities.

MAJOR CAPITAL PROJECTS

	($ Millions)	2020 Forecast[1]	2021-2025 Plan[1]	Expected Year of Completion
	ITC Multi-Value Regional Transmission Projects	12	261	2023
	ITC 34.5 kV to 69 kV Transmission Conversion Project	99	148	Post-2025
	UNS Vail to Tortolita[2]	-	244	2023
	UNS Oso Grande[3]	514	-	2021
	FortisBC Eagle Mountain Woodfibre Gas line Project[4]	-	350	2025
	FortisBC Transmission Integrity Management Capabilities Project	6	441	Post-2025
	FortisBC Inland Gas Upgrades Project	46	230	2025
	FortisBC Tilbury 1B	1	376	2025
NEW	FortisBC Tilbury Resiliency Tank	9	209	Post-2025
NEW	FortisBC Advanced Metering Infrastructure	-	247	Post-2025
	Wataynikaneyap Transmission Power Project[5]	212	479	2023



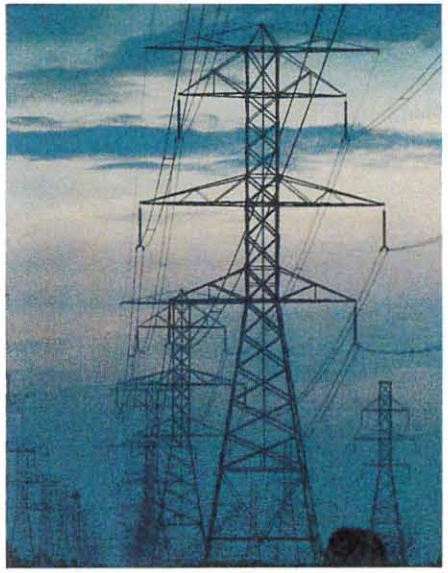
Note: Major capital projects are defined as projects, other than ongoing maintenance projects, individually costing $200 million or more. Total project costs include forecasted capitalized interest and non-cash equity component of allowance for funds used during construction, where applicable.

(1) U.S. dollar-denominated capital expenditures converted at a forecast USD:CAD exchange rate of 1.36 for 2020 and 1.32 for 2021 through 2025.
(2) The Vail to Tortolita transmission project was previously disclosed as a phase of the Southline transmission project.
(3) Construction began in 2019 and is expected to be commissioned in 2021.
(4) Capital plan is net of customer contributions.
(5) Represents Fortis' 39% share of the estimated capital spending for the project, including deferred development costs.

INVESTMENT-GRADE CREDIT RATINGS

Company	S&P Global	Moody's	DBRS
Fortis Inc.	A-(1)	Baa3	BBB (High)
ITC Holdings Corp.	A-(1)	Baa2	n/a
ITC Regulated Subsidiaries	A	A1	n/a
TEP	A-	A3	n/a
Central Hudson	A-	A3	n/a
FortisBC Energy	n/a	A3	A
FortisBC Electric	n/a	Baa1	A (low)
FortisAlberta	A-	Baa1	A (low)
Newfoundland Power	n/a	A2	A

(1) S&P credit ratings for Fortis Inc. and ITC Holdings Corp. reflect the issuer credit ratings. The unsecured debt rating for Fortis Inc. and ITC Holdings Corp. is BBB+.



OUR LEADERSHIP TEAM

Barry Perry
President & CEO

Fortis Inc. Executives

Nora Duke
EVP, Sustainability & CHRO

David Hutchens
COO,
CEO UNS Energy

James Laurito
EVP, Business Development & CTO

Jocelyn Perry
EVP, CFO

Jim Reid
EVP, CLO & Corporate Secretary

Gary Smith
EVP, Eastern Canadian & Caribbean Operations

Utility Presidents

Linda Apsey
President & CEO
ITC

Roger Dall'Antonia
President & CEO
FortisBC

Ruth Forbes
President & CEO
FortisTCI

Charles Freni
President & CEO
Central Hudson

Susan Gray
President & COO
UNS Energy

Scott Hawkes
President & CEO
FortisOntario

Richard Hew
President & CEO
Caribbean Utilities

Gary Murray
President & CEO
Newfoundland Power

Michael Mosher
President & CEO
FortisAlberta

Jason Roberts
President & CEO
Maritime Electric

Lynn Young
President & CEO
BECOL