

- 1 **Q. (Reference Application) If the Board were to authorize a fixed amount of**
2 **capital expenditure(s) by Newfoundland Power in 2023 that is less than the**
3 **amount requested and if the Board were to do so without rejecting any**
4 **particular proposed capital expenditure(s), would Newfoundland Power have**
5 **the judgement, expertise and tools to determine what of its proposed 2023**
6 **capital expenditures can be accommodated within that fixed amount**
7 **considering both work priority and execution capability? Would Newfoundland**
8 **Power proceed with projects according to its prioritization plan?**
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- 10 A. Newfoundland Power has the judgement, expertise and tools necessary to determine
11 which capital expenditures are required for 2023 to meet its obligations under the *Public*
12 *Utilities Act* and the *Electrical Power Control Act, 1994*. All capital expenditures
13 proposed by the Company for 2023 are necessary to meet these obligations.
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- 15 The authorization of a fixed amount of capital expenditures in 2023 that is not based on
16 the individual capital expenditures proposed in the application would amount to an
17 arbitrary cap on capital expenditures.
18
- 19 The Company cannot offer details on how it would proceed under this hypothetical
20 scenario. Any changes to proposed capital expenditures would be made with
21 consideration given to the Board's order and any relevant context.