

1 **Q. (Reference Application Schedule B, page i) It is stated "Newfoundland Power**
 2 **has met the information requirements of the Provisional Guidelines when the**
 3 **required information is available."**

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 5 **a) What information is not available and why?**

6 **b) Is Newfoundland Power requesting the Board to provide a provisional**
 7 **approval until the information is provided?**

8 **c) Does Newfoundland Power expect the Board to approve a project when**
 9 **the conditions set out in the Provisional Capital Budget Guidelines have**
 10 **not been met?**

11 **d) Is the Board in a position to approve a project when the information**
 12 **requirements set out in its Provisional Guidelines are not met?**

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 14 **A. a)** Newfoundland Power has provided a summary of the *2023 Capital Budget*
 15 *Application's* (the "Application") compliance with the Provisional Guidelines. The
 16 summary is provided as Attachment A to Newfoundland Power's June 29, 2022
 17 correspondence filed with the Application.

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 19 With respect to the information requirements outlined in Part III of the
 20 Provisional Guidelines, the availability of this information is explained on pages ii
 21 to iv of *Schedule B* to the Application. Limitations in the availability of
 22 information are generally driven by the requirement for more granular asset data
 23 than what has been required in the past. This data has not historically been
 24 tracked and cannot readily be provided using Newfoundland Power's existing
 25 information technologies. For example, page ii of *Schedule B* to the Application
 26 notes that unit-based information has not historically been tracked for programs.
 27 Compiling such data will require software designed for this purpose and more
 28 extensive data collection over time.

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 30 **b)** No, Newfoundland Power is not requesting a provisional approval.
 31 Newfoundland Power is requesting approval of its Application based on the
 32 information as filed.

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 34 **c)** In correspondence dated December 20, 2021, the Board stated:

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 36 *"The Board acknowledges that the provisional guidelines will require a*
 37 *new approach which may be challenging to implement fully in 2022.*
 38 *While strict adherence to all aspects of the provisional guidelines may not*
 39 *be possible, the Board asks that the stakeholders make best efforts to*
 40 *respect the spirit and intent of the guidelines."*

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 42 Further, Part V.A.1.b of the Provisional Guidelines states:

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 44 *"Where a utility is not able to provide the required information it shall*
 45 *provide an explanation as to why the information cannot be provided as*
 46 *well as the basis upon which the proposals should be approved in the*
 47 *absence of this information."*

1 The Company interprets the Board's comments in its correspondence, as well as
2 the text of the Provisional Guidelines, as confirming that strict adherence to the
3 Provisional Guidelines is not a prerequisite for approval of the Application, and
4 that the Application can be approved based on alternate information.
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- 6 d) Yes. As explained in part c) of this response, Newfoundland Power interprets
7 Part V.A.1.b of the Provisional Guidelines and the Board's accompanying
8 correspondence as confirmation that the Board can approve the Application on
9 the basis of alternate information. Newfoundland Power's Application provides
10 information that clearly demonstrates how the proposed expenditures are
11 necessary to provide safe and reliable service to its customers at the lowest
12 possible cost and can be approved by the Board on that basis.
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14 The approval of the Application based on alternative information is consistent
15 with the Board's legislated authority pursuant to subsection 3(2) of the *Board of*
16 *Commissioners of Public Utilities Regulations, 1996* (the "*Regulations*"), which
17 gives the Board the authority to dispense with, vary, or supplement the
18 procedures prescribed by the Regulations. Newfoundland Power submits that
19 this provides the Board with discretion to determine what information is
20 necessary to approve a proposed capital expenditure and the discretion to waive
21 compliance with a specific requirement in the Provisional Guidelines.