Q. (Reference Application) Please provide a summary of all laboratory testing conducted by NP in the 2024 Capital Budget Application to verify the need for asset replacement.

A. Newfoundland Power has not conducted any laboratory testing to verify the need for asset replacement associated with projects in the Company's 2024 Capital Budget Application.

Newfoundland Power verifies the need for asset replacement through its annual inspection and maintenance practices, condition assessments and engineering reviews. The Company also completes laboratory testing, when required. As examples, the Company completed laboratory testing: (i) in 2022, with respect to the Mobile Hydro Plant surge tank refurbishment and the presence of hazardous materials in the existing coating, (ii) in 2017, with respect to the Gander office and the presence of hazardous materials; (iii) in 2014, with respect to the Bell Island submarine cable; (iv) in 2008, with respect to the Rattling Brook Hydro Plant penstock; and (v) throughout the course of each year with respect to substation transformer oil analysis.

In addition, the Company engages third-party engineering consultants with appropriate engineering expertise to provide recommendations for specific asset replacement, when required.

¹ As examples, Newfoundland Power inspects: (i) substations eight times annually; (ii) transmission lines annually; and (iii) distribution lines on a seven-year cycle.