

1 **Q. (Reference Application) What changes has NP made to its asset management**
2 **plan and practices since filing its 2024 Capital Budget Application?**
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4 A. There have been no fundamental changes to Newfoundland Power's overall approach to
5 asset management since filing its *2024 Capital Budget Application*. This reflects the
6 Company's implementation of long-term asset management strategies, which is
7 consistent with good utility practice.¹
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9 The Company has, however, implemented incremental changes on a continual basis. For
10 example, the Company has introduced a capital project in 2025 to re-treat selected
11 transmission poles with a wood preservative.² The Company has also utilized third-party
12 assessments to inform asset decisions related to their condition. The Company utilizes
13 Electric Power Research Institute's Power Transformer Expert System to diagnose and
14 assess the condition of its power transformer fleet.^{3,4}
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16 Newfoundland Power is currently undertaking a review of its asset management
17 practices to ensure its practices continue to be adequate, given the age of its electrical
18 system, and remain consistent with industry practice.
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20 For an update on the ongoing review, see the response to Request for Information
21 PUB-NP-040.

¹ An independent review of Newfoundland Power's operations completed in 2014 found that the Company's asset management conformed to good utility practice and contributed to improvements in service reliability for customers. See The Liberty Consulting Group, *Executive Summary of Report on Island Interconnected System to Interconnection with Muskrat Falls addressing Newfoundland Power Inc.*, December 17, 2014, page ES-1.

² For more information, see Newfoundland Power's *2025 Capital Budget Application, Schedule C*, page 4 of 9.

³ For more information, see Newfoundland Power's *2025 Capital Budget Application*, report 2.2 *Substation Power Transformer Replacements*, page 3.

⁴ Other incremental improvements made by the Company include, but are not limited to, implementation of digital forms for data collection.