

- 1 **Q. (Reference Application, 2025 Capital Budget Overview, Appendix E, page 4)**  
2 **Do supply chain issues that arose during the Covid pandemic continue to be**  
3 **an issue? Can NP provide any examples of capital items that have declined in**  
4 **cost since the supply chain related spikes?**  
5
- 6 A. Newfoundland Power has observed that supply chain issues continue to reduce  
7 availability and extend delivery time for certain materials. For example, the Company  
8 continues to experience supply chain disruptions for the procurement of power  
9 transformers and heavy duty-fleet vehicles.  
10
- 11 The Company continues to monitor market conditions to assess potential impacts on its  
12 operations. Procurement practices and project durations have been modified to adapt to  
13 supply chain issues to mitigate project impacts. For example, the Company has  
14 increased its use of multi-year projects.  
15
- 16 Newfoundland Power continues to manage supply chain issues to limit their impact on  
17 the Company's annual expenditures. Through its procurement practices, the Company  
18 has observed that pricing for some goods and services has stabilized. However, the  
19 Company has not observed prices return to pre-pandemic levels.