

1 **Section 3: Finance/Fair Return**

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- 3 **Q. (Section 3, page 3-29) Newfoundland Power indicates stable energy sales with very**
- 4 **little annual variability. Normally one would think that most capital expenditures**
- 5 **with such a forecast were simply for maintenance and replacements. In its 2022-23**
- 6 **GRA Newfoundland Power indicated that about 50% of its requested capital**
- 7 **expenditures were for replacement. Please indicate the forecast percentages for 2022**
- 8 **to 2026.**
- 9
- 10 **A. Table 1 provides the percentage of capital expenditures related to the refurbishment and**
- 11 **replacement of existing assets for 2022 to 2026 forecast.<sup>1</sup>**

**Table 1:  
Capital Expenditures Related to Refurbishment and  
Replacement of Existing Assets  
2022 to 2026F**

2022	2023F	2024F	2025F	2026F
41%	47%	53%	52%	56%

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<sup>1</sup> The forecast for 2023 is based on the Company’s 2023 *Capital Budget Application*. The forecast for 2024 to 2026 reflects the Company’s 2024-2028 *Capital Plan* included in Newfoundland Power’s 2024 *Capital Budget Application*.