

1 **Section 2: Customer Operations/Capital Expenditures**
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3 **Q. What costs are reflected in Newfoundland Power’s capital plan to reflect**
4 **electrification initiatives of the Federal and Provincial governments? Please describe**
5 **the major cost elements and the amounts by year.**
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7 A. Newfoundland Power’s capital plan reflects investments required to connect customers to
8 the electricity grid and from increased electricity usage by existing customers, which may
9 be due to transportation electrification and heating system conversions.¹ Approximately
10 \$3 million of investments in each of 2027 and 2028 relate to transformer capacity
11 additions at Kelligrews and Hardwoods substations to respond to load growth on the
12 Northeast Avalon.² Investments are also driven by the requirement to upgrade
13 distribution feeders as a result of increased system load, with planned expenditures of
14 approximately \$11 million in the next five years for distribution system upgrades.³ This
15 includes approximately \$3.7 million over the next five years for distribution system
16 upgrades to respond to increased system load due to electric vehicle adoption.⁴

¹ Newfoundland Power’s system load forecast reflects the latest Customer, Energy and Demand Forecast. The Customer, Energy and Demand Forecast estimates new customer connections that are expected over the next five years based on economic inputs from the Conference Board of Canada. This includes Federal and Provincial electrification initiatives.

² See the response to Request for Information PUB-NP-045, Attachment A, page A-17.

³ Ibid., page A-29.

⁴ Ibid., page A-17.