Q. (Reference CA-NP-011d) With respect to development of the Strategic Plan, the response indicates that NP will not leverage work undertaken by Hydro in its digital engagement initiative and will not consult its customers directly. In Order P.U.3(2025), it is stated (page 71) "*The Board finds that Newfoundland Power should file on or before October 15, 2025, a scope of work for the development of a strategic plan as to its approach to the balancing of cost and reliability, identifying issues and challenges that may have significant implications for its system and customers and potential strategies to address these issues in the short, medium and long term*****." Please describe the inputs and information NP will rely on to determine the appropriate balance between cost and reliability, given that customers will not be consulted directly.**

A. Newfoundland Power manages and operates its distribution, transmission and generation assets to deliver electricity to customers in a manner consistent with the provisions of the *Public Utilities Act* and the *Electrical Power Control Act, 1994*. In its efforts to balance cost and reliability, the Company must also ensure it provides services and facilities that are reasonably safe and adequate, that it provides customers with equitable access to power, and that it operates in an environmentally responsible manner.[1] Consistent with utility practice, Newfoundland Power's approach to balancing cost and reliability is rooted in its approach to asset management, which maximizes the efficient operation of its electricity system over the long term for the benefit of customers.[2]

As described in the *Balancing Cost & Reliability over the Long-Term - Scope of Work* (the "Scope of Work") filed with the Board on October 15, 2025, the Plan will address Newfoundland Power's approach to balancing cost and reliability, including identifying issues and challenges that may have significant implications for its system and customers and potential strategies to address those issues in the short, medium, and long-term.[3]

The Plan will be informed by information compiled through the ongoing asset management review, jurisdictional reviews and research completed with the assistance of an external consultant, and the Company's existing planning, operational and asset management processes.[4] Information from customer surveys, such as the quarterly customer survey and the survey completed for the Rate Design Review will also inform the Plan. Newfoundland Power recognizes the importance of continually meeting its mandate of providing safe, reliable service in a least-cost manner for customers.

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[1] See Section 37(1) of the *Public Utilities Act* and Section 3 of the *Electrical Power Control Act, 1994.*
[2] See the *Balancing Cost & Reliability over the Long-Term - Scope of Work*, filed with the Board on October 15, 2025, page 2.
[3] The Scope of Work was accepted by the Board as filed. See letter from the Board dated October 31, 2025, *Newfoundland Power Inc. – Balancing Cost & Reliability Over the Long-Term – Scope of Work – Filed in Compliance with Board Order No. 3(2025) – Accepted as Filed.*
[4] For example, the Company's *Conservation, Demand Management and Electrification Plan, 2026 – 2030*.