

1 Q. (a) Please identify specific instances where NLH and Newfoundland  
2 Power coordination has, to date, resulted in cost savings.

3

4 (b) For each case, provide an estimate of the savings.

5

6

7 A. (a) (b) A report on joint coordination between NLH and Newfoundland Power  
8 was submitted to the Public Utilities Board in December, 2002. The  
9 report concluded that, though opportunities for savings and customer  
10 service improvements through enhanced coordination were limited,  
11 some did exist. Areas where enhanced coordination has resulted in  
12 improved service and/or cost savings include meter testing, equipment  
13 sharing, transportation of PCB contaminated materials, distribution  
14 upgrading in common service areas, equipment testing and inter-utility  
15 operational functions.

16

17 Specific instances where savings or customer service improvements  
18 have been achieved include the following:

19

20 1. NLH currently provides revenue meter testing services to  
21 Newfoundland Power under contract. Estimated annual  
22 savings are approximately \$10,000.

23

24 2. On 4 occasions, NLH and Newfoundland Power have  
25 coordinated shipments of PCB contaminated materials. Total  
26 savings are estimated at approximately \$30,000.

3. Through close collaboration between NLH and Newfoundland Power, an optimum solution for upgrading the Little Bay distribution system was realized. This resulted in an estimated capital savings of approximately \$150,000 and minimum disruption to customers.
4. NLH and Newfoundland Power have an agreement on the sharing of equipment. For example, Newfoundland Power has used NLH's mobile substation on at least three separate occasions. While the resultant savings are difficult to quantify, there has been improved continuity of service to customers.
5. NLH has provided equipment testing services to Newfoundland Power at various times. At least twice, NLH technicians have performed Doble testing of Newfoundland Power transformers. Similarly, since the joint coordination review was initiated, Hydro has tested and restored approximately 160 hot sticks for Newfoundland Power. The savings are difficult to quantify.
6. Newfoundland Power has responded to trouble calls on NLH's distribution system, e.g. Monkstown and Petite Forte. As well, the utilities have an arrangement regarding switching duties at certain locations. Though the savings are difficult to quantify, reduced customer outage time may be significant.