October 24, 2003	Mult	1-1'a	ge ^m NL Hydro's 2003 General Rate Application
	Page 1		Page 2
1 LIST OF UNDERTAKINGS		1 ((9:05 a.m.)
21. Undertaking Pg.	6	2 0	CHAIRMAN:
32. Undertaking Pg.	81	3	Q. Good morning, thank you. Good morning, Ms.
4 3. Undertaking Pg.	149	4	Newman, do you have any matters before we
54. Undertaking Pg.	151	5	begin?
65. Undertaking Pg.	152	6 1	MS. NEWMAN:
7 6. Undertaking Pg.	172	7	Q. No, Chair.
		8 0	CHAIRMAN:
		9	Q. What is this, Mr. O'Reilly, just out of
		10	curiosity?
		11 N	MR. O'REILLY:
		12	Q. That's the base at Granite Canal.
		13 0	CHAIRMAN:
		14	Q. Very good. Good morning, Mr. Haynes. How are
		15	you. Good morning, Mr. Kennedy.
		16 N	MR. KENNEDY:
		17	Q. Good morning, Chair.
		18 0	CHAIRMAN:
		19	Q. When you're ready to continue your cross-
		20	examination.
		21 N	MR. KENNEDY:
		22	Q. Thank you, Chair, Commissioners. Mr. Haynes,
		23	I wanted to start off by just asking you a few
		24	questions about reliability, initially. And
		25	you've provided some comments concerning
	Page 3	;	Page 4
1 reliability in your pre-filed evidence.	Maybe	1	detailed there. I wonder if we could just
2 we can just flip to those first, page 8,	Mr.	2	pull up U No. 3, Mr. O'Reilly. Just before
3 O'Reilly. There was, I believe, two	places	3	asking a specific question about reliability,
4 where you referenced reliability speci	fically.	4	Mr. Haynes, I'm wondering first, now that
5 One is in this paragraph directly under	erneath	5	we've got this U No. 3 out, is it possible for
6 the overview title and it's midway thr	ough the	6	us to get the same Exhibit, only with the 2004
7 paragraph. "It", referring to Hyd	lro,	7	figures, please, which should be, I'm assuming
8 "operates an aging complex thermal]	plant and	8	readily available from your documentation
9 several large hydro plants on the islam	id with	9	itself, your -
10 increasing challenges related to pu	ıblic	10	A. I could provide you now with the 2004, table 5
11 expectations on reliability and environ	nmental	11	data to the end of September, as opposed toI
12 practices." Then over at page 10	under	12	mean I could just provide that information
13 "System Equipment", "One of the cha	llenges for	13	now.
14 Hydro is to operate and maintain	aging	14	Q. Okay. So like -
15 facilities that are critical in meetin	•	15	A. Only for the reliability figures.
16 customers mode and reliability expe	ctations	16	Q. Okay, I'm looking atI'm thinking of all
17 while controlling costs and Hydro ha		17	these numbers like the productivity figures
18 action to improve the reliability or pr	revent	18	for your hydraulic conversion, your thermal
19 significant deterioration of equipment	." And	19	conversion, your generation controllable costs
20 then you provide at page 15, table 4,	which	20	and everything, based on your forecast numbers
21 are some reliability indices used for	your	21	for 2004.
22 fossil steam equipment performance.	And then	22	A. But those particular ones forI don't think
the next table, 5, is the hydraulic equi	nment	23	we have that for 2004 as yet.
	pinent	25	we have that for 2004 as yet.
24 performance. And then over on pag	-	23	Q. You would have, for instance, your hydraulic

Multi-PageTMNL Hydro's 2003 General Rate Application

Page 5 1 MR. KENNEDY: 2 factors, wouldn't you, because you're 2 Q. I think counsel for Hydro's suggestion of 2 Q. I think counsel for Hydro's suggestion of	Page 6
2 factors, wouldn't you, because you're 2 Q. I think counsel for Hydro's suggestion of	
• • • • • • • • • • • • • • • • • • • •	
3 proposing 624 kilowatt hours per barrel, for 3 filing this after the revised figures have	
4 instance, for your 2004 forecast year? 4 been provided by Hydro makes much more	sense.
5A. Yes, we are.5So if we could get an undertaking I guess to	
6 Q. And your controllable unit costs would be 6 update this U No. 3 to have 2004 forecast	
7 something that you could calculate from your 7 figures as revised by Hydro, where it's	
8 2004 proposed figures? 8 capable of being produced. (Undertaking)	
9 GREENE, Q.C.: 9 GREENE, Q.C.:	
10 Q. With respect, Mr. Kennedy, to the request, we 10 Q. Because I was just going to say, obviously,	
11 will be filing a revised revenue requirement 11 some of the others such as the reliability	
12 which will update the 2004 forecast that we 12 ones would only be targets for 2004.	
13filed with the Board. Some of the numbers are13MR. KENNEDY:	
14 based on that revenue requirement such as the 14 Q. And I guess that's what the next question wa	as,
15 controllable unit cost number and the 15 actually. In relation to the reliability	
16 generation controllable cost numbers, 16 figure, Mr. Haynes, generation being unde	r
17 etcetera. Others are reliability numbers 17 your division, we've got two reliability	
18where you wouldn't be able to provide it, only18indices that are listed in U No. 3.	
19a possible target. So it would be a blend,19A. Yes.	
and my suggestion would be that it would filed 20 Q. Weighted capability factor and then the	
21later in the hearing after we look at the 200421weightedI don't know is that DAFOR?	
22 revised revenue requirement and then use that 22 A. Yes.	
23for some of these numbers if you wish. Or we23Q. Would you consider these two indices to be	the
24 could file it based on what's filed to date, 24 most telling ones, if you will, for the	
25that is, if you want to use it more quickly.25reliability of your generation assets?	
Page 7	Page 8
1 A. I guess in trying to come up with corporate 1 factor is 25 percent, say, would that	ţ
2 indices which kind of cover the whole of the 2 correspond to the weighted capability fa	actor
3 generation and so on, we felt that these were 3 being 75 percent?	
4 the most appropriate as kind of being a 4 A. The incapability factor and the capabil	ity
5 balance thing. As you drill down into the 5 factor are one minus the other -	
6 system, if you will, you know the plant 6 Q. Right.	
7 manager at Holyrood will provide a lot more 7 A. But the DAFOR is not quite the same th	ing.
8 can get a lot more information from the point 8 It's basically a de-rating adjusted avera	ge
9 of his particular unit performance, his plant 9 rate. It considers other things. It's	
10 performance, which will be different than the 10 basically the equivalent forced outage t	
11 Hydro section and that plant manager can go 11 over a host of other things; the operation	•
12 down and drill down and get specific things 12 time and planned maintenance and so or	
131313Q. What does the DAFOR tell you that the w	•
14 cumulative capability factor for both 14 capability factor doesn't? What does D	
15 hydraulic and thermal. We think it's the 15 measure that the weighted capability do	esn't
16appropriate figure tofocusing from the16measure?	
17 Public Utilities Board as an overview. There 17 A. The DAFOR gives you a ratio of the fo	
18are a lot more details as you go down that are18outage time whereas the incapability fa	
19 specific to the individual managers. 19 may be planned outages and other thi	-
20 Q. So, for instance, the weighted capability 20 scheduled maintenance and so on. So on	
21 factor under "Generation", you've described as 21 indication of how well we do, if you w	
22 the rate of unit operating time to unit outage 22 from the point of view of our planning	
23time. So do I take it correctly that that's23execution of our jobs. Like the incapability	•
24 just the converse or the flip of the 24 factor is cited there as between 80 and	
25 incapability factor. If the incapability 25 percent. On the Holyrood, that would be	e

	Page 9		Page 10
1 N	IR. HAYNES:	1	is. It has not been assigned at this point in
2	between, you know, typically where we target	2	time.
3	as we said before, 75 percent. On the Hydro	3	Q. When would you normally do that?
4	units it would be higher. So that's kind of a	4	A. We would do that late in 2003 or very early in
5	blend of both the Hydro thermalthe whole of	5	2004, we would actually assign numbers.
6	our generation, the whole of our	6	Q. And in the determination of what the target
7	interconnected generation performance.	7	should be, you look at your actual performance
8	Q. And the weighted capability factor, that's	8	for 2003 and also I think you mentioned the
9	your entire system, that's your thermal, your	9	CEA figures?
10	hydraulic, everything all factored in	10	A. What we look at more than anything is
11	together?	11	basically our performance over a five-year
12	A. On the interconnected system.	12	period and becauseyou know, you get into a
13	Q. On the interconnected -	12	very strongthere can be a very wide
14	A. Yes, it doesn't include the isolated diesel	13	variation in the Hydro thermal split. And so
15	areas and it would not beit would no also	14	looking at a single year and looking at next
16	beI'm not quite sure of theI would expect	15	year we don't think it's appropriate because
17	to have theLabrador gas turbine may not be	10	you'd basically be moving around too much. So
18	there, it's a separate system.	17	what we're suggesting and what wethe way we
19	Q. Do you have a target set for 2004 under your	10	look at it is we try to seek a sustained
20	reliability indices for generation?		improvement on a five year rolling average and
20	A. I believe we provided some of the information	20 21	that would consider, for instance, on a
	in-maybe we didn't. For 2004 they are not		transition system which Mr. Martin could speak
22		22	-
23	set yet. We will look at the performance, we	23	to a bit better than me, that when you get a
24	will look at the CEA averages and we will	24	good winter you get a bad winter, that over a
25	assign a number from there, what our target	25	period of time, we want to see sustained
	Page 11		Page 12
			1
1	improvement. That's our goal.	1	compared to your five-year average.
2	Q. So when you set your reliability targets for	2	A. No, it was not. We had a few issues in
2 3	Q. So when you set your reliability targets for 2004 and you do a five-year average for the	2 3	A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube
2 3 4	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding 	2 3 4	A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on.
2 3	Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period.	2 3 4 5	A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on.Q. So, let's say you were setting your target for
2 3 4 5 6	Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period.A. Yes, we will review that and we will see a	2 3 4 5 6	A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on.Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take
2 3 4 5 6 7	Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period.A. Yes, we will review that and we will see a percentage improvement typically of that, you	2 3 4 5 6 7	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a
2 3 4 5 6 7 8	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - 	2 3 4 5 6	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what
2 3 4 5 6 7 8 9	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, 	2 3 4 5 6 7 8 9	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003?
2 3 4 5 6 7 8 9 10	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that 	2 3 4 5 6 7 8	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete
2 3 4 5 6 7 8 9 10 11	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better 	2 3 4 5 6 7 8 9	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent
2 3 4 5 6 7 8 9 10 11 12	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - 	2 3 4 5 6 7 8 9 10 11 12	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that
2 3 4 5 6 7 8 9 10 11 12 13	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a 	2 3 4 5 6 7 8 9 10 11 12 13	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR
2 3 4 5 6 7 8 9 10 11 12	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you 	2 3 4 5 6 7 8 9 10 11 12	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would
2 3 4 5 6 7 8 9 10 11 12 13	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you know, certain things that were explainable, 	2 3 4 5 6 7 8 9 10 11 12 13	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would say that we would target in 2003 a performance
2 3 4 5 6 7 8 9 10 11 12 13 14	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you know, certain things that were explainable, you may try to look after that or consider 	2 3 4 5 6 7 8 9 10 11 12 13 14	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would say that we would target in 2003 a performance which would be worse than we had in 2001 and
2 3 4 5 6 7 8 9 10 11 12 13 14 15	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you know, certain things that were explainable, you may try to look after that or consider that in your evaluation. So it's not 	2 3 4 5 6 7 8 9 10 11 12 13 14 15	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would say that we would target in 2003 a performance which would be worse than we had in 2001 and 2000 and we would not do that. We would look
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you know, certain things that were explainable, you may try to look after that or consider that in your evaluation. So it's not concrete. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would say that we would target in 2003 a performance which would be worse than we had in 2001 and 2000 and we would not do that. We would look at the five-year history and try to get
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you know, certain things that were explainable, you may try to look after that or consider that in your evaluation. So it's not concrete. 9:17 a.m.) 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would say that we would target in 2003 a performance which would be worse than we had in 2001 and 2000 and we would not do that. We would look at the five-year history and try to get sustained improvement over time, realizing
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you know, certain things that were explainable, you may try to look after that or consider that in your evaluation. So it's not concrete. 9:17 a.m.) Q. Okay. Because if we look at page 15 or 16 of 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would say that we would target in 2003 a performance which would be worse than we had in 2001 and 2000 and we would not do that. We would look at the five-year history and try to get sustained improvement over time, realizing that in any one year there are numerous events
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 (Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you know, certain things that were explainable, you may try to look after that or consider that in your evaluation. So it's not concrete. 9:17 a.m.) Q. Okay. Because if we look at page 15 or 16 of your pre-filed, it shows at table 4, and 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would say that we would target in 2003 a performance which would be worse than we had in 2001 and 2000 and we would not do that. We would look at the five-year history and try to get sustained improvement over time, realizing that in any one year there are numerous events that could blow us out of the water, if you
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 (20	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you know, certain things that were explainable, you may try to look after that or consider that in your evaluation. So it's not concrete. 9:17 a.m.) Q. Okay. Because if we look at page 15 or 16 of your pre-filed, it shows at table 4, and you've got the DAFOR and the incapability 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would say that we would target in 2003 a performance which would be worse than we had in 2001 and 2000 and we would not do that. We would look at the five-year history and try to get sustained improvement over time, realizing that in any one year there are numerous events that could blow us out of the water, if you will.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 (20 21 22 23	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you know, certain things that were explainable, you may try to look after that or consider that in your evaluation. So it's not concrete. 9:17 a.m.) Q. Okay. Because if we look at page 15 or 16 of your pre-filed, it shows at table 4, and you've got the DAFOR and the incapability factor for your thermal units and then you've 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would say that we would target in 2003 a performance which would be worse than we had in 2001 and 2000 and we would not do that. We would look at the five-year history and try to get sustained improvement over time, realizing that in any one year there are numerous events that could blow us out of the water, if you will. Q. Now I think you'veyou've mentioned in some
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 (20 21 22 23 24	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you know, certain things that were explainable, you may try to look after that or consider that in your evaluation. So it's not concrete. 9:17 a.m.) Q. Okay. Because if we look at page 15 or 16 of your pre-filed, it shows at table 4, and you've got the DAFOR and the incapability factor for your thermal units and then you've got the NLH five-year average and if I can 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would say that we would target in 2003 a performance which would be worse than we had in 2001 and 2000 and we would not do that. We would look at the five-year history and try to get sustained improvement over time, realizing that in any one year there are numerous events that could blow us out of the water, if you will. Q. Now I think you'veyou've mentioned in some of the responses in the RFIs and I think some
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 (20 21 22 23	 Q. So when you set your reliability targets for 2004 and you do a five-year average for the preceding five yearimmediately preceding five-year period. A. Yes, we will review that and we will see a percentage improvement typically of that, you knowand - Q. Is that a predetermined factor already? Like, for instance, it's already determined that you'll set your target at ten percent better than your five- year average or is it - A. It's not hard and fast. If we had a particularly bad winter where you had, you know, certain things that were explainable, you may try to look after that or consider that in your evaluation. So it's not concrete. 9:17 a.m.) Q. Okay. Because if we look at page 15 or 16 of your pre-filed, it shows at table 4, and you've got the DAFOR and the incapability factor for your thermal units and then you've 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 A. No, it was not. We had a few issues in Holyrood, particularly with respect to tube leaks and so on. Q. So, let's say you were setting your target for 2003 you wouldif I gather correctly, take into judgment the fact that 2002 wasn't a particularly good year in determining what your target should be for 2003? A. If, for instance, if our target was concrete and pat, then we would look for a ten percent improvement over last year. And given that 2002 wasn't a stellar year from the DAFOR perspective, you know, that philosophy would say that we would target in 2003 a performance which would be worse than we had in 2001 and 2000 and we would not do that. We would look at the five-year history and try to get sustained improvement over time, realizing that in any one year there are numerous events that could blow us out of the water, if you will. Q. Now I think you'veyou've mentioned in some

Discoveries Unlimited Inc., Ph: (709)437-5028

Page 131 MR. KENNEDY:12 reliability in the isolated rural systems.13 Maybe we can just go to CA-147. And there's24 two questions; what's the basis for the35 generation and reliability criteria and use56 for planning the isolated rural systems and67 then, two, have the customers indicated a7	
2reliability in the isolated rural systems.2customers are not willing to pay more for r3Maybe we can just go to CA-147. And there's3reliable service and that a less reliable4two questions; what's the basis for the4service is not desirable." Does that5generation and reliability criteria and use5statement there, and there's some follow-6for planning the isolated rural systems and6RFIs in which there was some further7then, two, have the customers indicated a7explanation provided concerning that	
3Maybe we can just go to CA-147. And there's3reliable service and that a less reliable4two questions; what's the basis for the4service is not desirable." Does that5generation and reliability criteria and use5statement there, and there's some follow-6for planning the isolated rural systems and6RFIs in which there was some further7then, two, have the customers indicated a7explanation provided concerning that	more
4two questions; what's the basis for the generation and reliability criteria and use4service is not desirable." Does that statement there, and there's some follow- 66for planning the isolated rural systems and 76RFIs in which there was some further 77then, two, have the customers indicated a7explanation provided concerning that	
5generation and reliability criteria and use5statement there, and there's some follow-6for planning the isolated rural systems and6RFIs in which there was some further7then, two, have the customers indicated a7explanation provided concerning that	
6for planning the isolated rural systems and 76RFIs in which there was some further explanation provided concerning that	
7 then, two, have the customers indicated a 7 explanation provided concerning that	-
	t
8 willingness to pay for this level of 8 statement, but, first, does that reply there	
9 reliability. And you go on to explain then 9 apply only to your Rural Isolated Custome	
10 that you're using the same criteria that 10 is that indicative of all your customers, so	
11 you've had in place for more than 30 years and 11 when you did your customer satisfaction	on
12 it's similar to what's used in other Canadian 12 survey, had those numbers.	
13 utilities in setting your criterion, correct? 13 A. I'm not sure of the split. Mr. Banfield look	KS
14A. That's correct.14after the survey. My interpretation was that	at
15 Q. And then part B, based on Hydro's 2002 15 as this was a generation reliability question	n,
16 residential customer satisfaction survey. 16 it would be more reflective of the	
17 "The perceived performance of Hydro falls 17 distribution side in our isolated areas. Mr.	
18 below customer expectations for the attribute 18 Banfield could probably confirm whether	the
19 electricity at a reasonable cost, indicating 19 actual survey results were split between	1 I
20 that customers are paying more than what they 20 Isolated and Interconnected. Because on a	the
21 feel they should. With respect to service 21 Interconnected customers, of course, th	e
22 reliability, 94 percent of customers are 22 isolated diesel generation criteria is of	
23 satisfied with the supply of electricity 23 little importance to them.	
24 provided by Hydro and rate it as the most 24 Q. I guess I'm trying to figure out, likeso, ir	1
25 important attribute of service from Hydro. 25 your initiatives to improve reliability or	
Page 15	Page 16
1 otherwise in your own end of the business, 1 reliability of the system would almost always	ays
2 your own, in the generation end of the 2 necessarily involve extra costs?	
3 business, how do you determine whether you 3 A. That depends. It may be just a re-deploym	nent
4 need to improve reliability over your five- 4 of cost. You know, if it's employee training	ng
5 year average, for instance? 5 and more care and caution and sometimes	in the
6 A. There's no science to that there. Basically 6 way things may become, although that's r	not a
7 we meet with Newfoundland Power, we meet with 7 very big factor, usually it's equipment	
8 the utility customers, at our joint utility 8 failure. And a big driving factor, of course	e,
9 meeting and we have had various feedback from 9 is our environment and snow storms, sle	eet
10 them that they wouldparticularly under 10 storms and so on that affect the end custom	ner
11 frequency load shedding is the mostis the 11 reliability. You canif you were to take	
12 thing that gets most people excited because 12 that to the extreme, if we were to design al	1
13 it's unplanned and it's sudden and usually 13 distribution and transmission lines to meet	et
14 fairly big. But basically there was no survey 14 the most onerous criteria that we have or the	he
15 as such, formal survey of the Industrial 15 most onerous weather event, yes, it wou	ıld
16 Customers or Newfoundland Power and certainly 16 definitely drive the capital cost.	
17 no surveys that we have done of Newfoundland 17 Q. So it's obviously a balance between what	ıt's
18 Power's direct customers. It's more based on 18 acceptable to the customers in the way of	of
19 meetings, feedback from our meetings with 19 reliability and whether more money needs	to be
20 Newfoundland Power and the Industrial 20 spent to improve that reliability for your	
21 Customers that they seek that improvement, or 21 customer.	
22 seek thatto improve or sustain a 22 A. Yes, and we have over, you know, the num	nber of
23 reliability. 23 years and some of theparticularly in the	e
	11
24Q. Is it an accurate statement to say that the24transmission area which Mr. Martin would25pursuit of reliability, increasing the25lot more knowledgeable of if we had the A	

Discoveries Unlimited Inc., Ph: (709)437-5028

	D 17		D ₁
	Page 17		Page 18
	MR. HAYNES:	1	but a significant factor.
2	upgrade project. That was a specific project	2	Q. So other than in your own distribution
3	that was undertaken to increase the	3	territory, as we all know Newfoundland Power
4	reliability of at least one circuit basically	4	is by far the biggest customer you have on an
5	from our primary generating sources, Bay	5	individual basis, so you get your feedback
6	d'Espoir into the St. John's area which is the	6	about the customer expectations from
7	major load centre. And that was based on the	7	Newfoundland Power, you don't go behind
8	experience that we had with our parallel lines	8	Newfoundland Power, if you will, and check
9	and icing on several major sleet storms over	9	with their customers to see directly how they
10	the years. So -	10	feel?
11	Q. I guess I'm trying to figure out where does	11	A. No, we do not. We have had discussions and
12	the push come from. Is it to improve	12	anecdotal information, if you will, relayed to
13	reliability, is it an internal matter for	13	us by Newfoundland Power, you know,
14	Hydro or is this desire to improve reliability	14	particularly on the under frequency load
15	driven by your customers?	15	shedding and we have had discussions and
16	A. Primarily driven by customers. And we have a	16	presentations to the Board on the under
17	committee with Newfoundland Power which was	17	frequency load shedding and there's been some
18	created as a result of that, the Inter-Utility	18	changes in Newfoundland Power's approach and
19	Reliability Committee was actually put in	19	our approach and to the rotating feeders
	place by the CEOs of Newfoundland Hydro and		because of that.
20	Newfoundland Power to look at that, to review	20	Q. And that's been your focus as of late, the
21		21	-
22	that, to review under frequency events, what	22	proving the experience with the under
23	can be done, what are we doing and to	23	frequency load shedding?
24	encourage this dialogue. That was one of the	24	A. That's one of the focuses on reliability.
25	primary drivers for that. Not the only one,	25	That's theone that generates a fair bit of
	Page 19		Page 20
1	1^{\prime}		
1 *	dialogue at times, depending on the number of	1	about under frequency load shedding, typically
2	events per year.	1 2	about under frequency load shedding, typically 50 percent plus have been initiated because of
2	events per year.	2	50 percent plus have been initiated because of
2 3	events per year. Q. Are there other major initiatives that you	2 3	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's
2 3 4	events per year. Q. Are there other major initiatives that you could describe that Hydro is undertaking or	2 3 4	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine,
2 3 4 5	events per year. Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service?	2 3 4 5	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single
2 3 4 5 6	events per year.Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service?A. With respect to the generation division, the	2 3 4 5 6	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly
2 3 4 5 6 7 8	events per year.Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service?A. With respect to the generation division, the production department, I should say, on the	2 3 4 5 6 7	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency
2 3 4 5 6 7 8 9	events per year.Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service?A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a	2 3 4 5 6 7 8	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do
2 3 4 5 6 7 8	events per year.Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service?A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of	2 3 4 5 6 7 8 9	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we
2 3 4 5 6 7 8 9 10 11	events per year.Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service?A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause	2 3 4 5 6 7 8 9 10 11	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but
2 3 4 5 6 7 8 9 10 11 12	events per year.Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service?A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation	2 3 4 5 6 7 8 9 10 11 12	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but
2 3 4 5 6 7 8 9 10 11 12 13	events per year.Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service?A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are	2 3 4 5 6 7 8 9 10 11 12 13	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro
2 3 4 5 6 7 8 9 10 11 12 13 14	events per year.Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service?A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are typically not as large when Holyrood has an	2 3 4 5 6 7 8 9 10 11 12 13 14	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro plant you get some advance warning. The
2 3 4 5 6 7 8 9 10 11 12 13 14 15	events per year.Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service?A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are typically not as large when Holyrood has an issue. On the transmission and generation	2 3 4 5 6 7 8 9 10 11 12 13 14 15	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro plant you get some advance warning. The operator knows that in five minutes or ten
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 events per year. Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service? A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are typically not as large when Holyrood has an issue. On the transmission and generation side there are various programs on wood pole 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro plant you get some advance warning. The operator knows that in five minutes or ten minutes he has to take the machine down. He
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 events per year. Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service? A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are typically not as large when Holyrood has an issue. On the transmission and generation side there are various programs on wood pole testing to ensure to bring that up to speed 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro plant you get some advance warning. The operator knows that in five minutes or ten minutes he has to take the machine down. He will initiate contact with Control Centre who
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 events per year. Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service? A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are typically not as large when Holyrood has an issue. On the transmission and generation side there are various programs on wood pole testing to ensure to bring that up to speed and to review that, which Mr. Martin could 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro plant you get some advance warning. The operator knows that in five minutes or ten minutes he has to take the machine down. He will initiate contact with Control Centre who will actually ramp up generation of other
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 events per year. Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service? A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are typically not as large when Holyrood has an issue. On the transmission and generation side there are various programs on wood pole testing to ensure to bring that up to speed and to review that, which Mr. Martin could speak to. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro plant you get some advance warning. The operator knows that in five minutes or ten minutes he has to take the machine down. He will initiate contact with Control Centre who will actually ramp up generation of other machines and ramp down that machine so it
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 events per year. Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service? A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are typically not as large when Holyrood has an issue. On the transmission and generation side there are various programs on wood pole testing to ensure to bring that up to speed and to review that, which Mr. Martin could speak to. Q. So in the production end of the business 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro plant you get some advance warning. The operator knows that in five minutes or ten minutes he has to take the machine down. He will initiate contact with Control Centre who will actually ramp up generation of other machines and ramp down that machine so it comes off service with no impact to the
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 events per year. Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service? A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are typically not as large when Holyrood has an issue. On the transmission and generation side there are various programs on wood pole testing to ensure to bring that up to speed and to review that, which Mr. Martin could speak to. Q. So in the production end of the business thoughso it's the under frequency load 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro plant you get some advance warning. The operator knows that in five minutes or ten minutes he has to take the machine down. He will initiate contact with Control Centre who will actually ramp up generation of other machines and ramp down that machine so it comes off service with no impact to the customer. It affects our statistics and any
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 events per year. Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service? A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are typically not as large when Holyrood has an issue. On the transmission and generation side there are various programs on wood pole testing to ensure to bring that up to speed and to review that, which Mr. Martin could speak to. Q. So in the production end of the business thoughso it's the under frequency load shedding and then the performance of the 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro plant you get some advance warning. The operator knows that in five minutes or ten minutes he has to take the machine down. He will initiate contact with Control Centre who will actually ramp up generation of other machines and ramp down that machine so it comes off service with no impact to the customer. It affects our statistics and any the failure rate number that we cite in table
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 events per year. Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service? A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are typically not as large when Holyrood has an issue. On the transmission and generation side there are various programs on wood pole testing to ensure to bring that up to speed and to review that, which Mr. Martin could speak to. Q. So in the production end of the business thoughso it's the under frequency load shedding and then the performance of the Holyrood generating station? 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro plant you get some advance warning. The operator knows that in five minutes or ten minutes he has to take the machine down. He will initiate contact with Control Centre who will actually ramp up generation of other machines and ramp down that machine so it comes off service with no impact to the customer. It affects our statistics and any the failure rate number that we cite in table 4, for instance, is not just the trips that
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 events per year. Q. Are there other major initiatives that you could describe that Hydro is undertaking or plans to undertake to improve reliability in the service? A. With respect to the generation division, the production department, I should say, on the reliability on Holyrood, we are undertaking a review with a consultant looking at some of the things that cause us to trip and cause some of these events. The Hydro generation has not had the samethe consequences are typically not as large when Holyrood has an issue. On the transmission and generation side there are various programs on wood pole testing to ensure to bring that up to speed and to review that, which Mr. Martin could speak to. Q. So in the production end of the business thoughso it's the under frequency load shedding and then the performance of the 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	50 percent plus have been initiated because of Holyrood event. And that's driven bythat's not only because of the thermal plant. It's also driven by the fact that Holyrood machine, I think 175 megawatts are the biggest, single machines that we have. And if it suddenly trips, is when we initiate under frequency load shedding. In a hydraulic plant, we do have sudden trips on occasion. Sometimes we are at lower loads and there's no event, but other times, as with Holyrood as well, but more often in the Holyrood plantin a hydro plant you get some advance warning. The operator knows that in five minutes or ten minutes he has to take the machine down. He will initiate contact with Control Centre who will actually ramp up generation of other machines and ramp down that machine so it comes off service with no impact to the customer. It affects our statistics and any the failure rate number that we cite in table

Multi-PageTMNL Hydro's 2003 General Rate Application

			age TM NL Hydro's 2003 General Rate Application
	Page 21		Page 22
1 N	AR. HAYNES:	1	Q. If we could just go to IC-231. That's a big
2	causes a trip of customer load or any other	2	document and I never wrote my page number
3	load. So there's a multiple number of factors	3	down.
4	that we consider.	4	GREENE, Q.C.:
5	Q. I guess I'm trying to figure how do you get,	5	Q. Before you look for the page number, that
6	you know, you get your signal, if you will, or	6	would really be for Mr. Martin.
7	your information from Newfoundland Power as to	7	A. Yes. Our system planning people participated
8	whether you need to improve reliability.	8	in a document but basically that is a TRO
9 (9:30 a.m.)	9	review of the transmission performance.
10	A. That is a primary input that theyin the	10	MR. KENNEDY:
11	meetings that we have with them and	11	Q. Sure, yes.
12	particularly the under frequency load shedding	12	A. He would be more versed.
13	and we do on ain the meetings, in the Inter-	13	Q. And the reason I was pulling it up is because
14	Utility Reliability Committee, I believe it's	14	you mentioned delivery point performance and
15	calledwe do exchange statistics and numbers	15	this document I guess is rife with comments
16	on our delivery point performance to them and	16	about delivery point performance standards and
17	they provide us the information on their	17	I'm just wondering if you could explain what
18	delivery point performance to their customers	18	that is, what's a delivery point performance
19	and we usually separate the ones that are	19	standard?
20	caused, if you will, by Newfoundland Hydro	20	A. Basically it is thefrom Newfoundland Hydro's
21	versus the ones that are caused by	21	point of view, any particular location where
22	Newfoundland Power. So it's a fair exchange	22	we deliver power and energy to Newfoundland
23	of information as to theyou know, the end	23	Power where they take it, that's our delivery
24	customer reliability. But it's all through	24	point. Newfoundland Power's delivery point
25	Newfoundland Power.	25	would be to the meter socket, basically
	Page 23		Page 24
1	primarily to their customers. So in our case	1	affected by the same events that your delivery
2	it's the performance, whether it's to our end	2	point performance would be affected?
3	customer or whether it's to Newfoundland Power	3	A. The events that would be accounted for in both
4	or Abitibi or whatever. That would be the	4	those factors can have an impact on the
5	performance at that, I'll say meter socket,	5	delivery point performance and often times
6	that's a simplistic way to put it. And in	6	they will not. So that there is basically a
7	Newfoundland Power it would be their customer,	7	measurement of the performance of the
8	what the customer sees.	8	generation assets. When you get down to the
9	Q. I was going to say, so in the case of what you	9	SAIDI and SAIFI on theon the SAIDI and SAIFI
10	described earlier about sometimes you might	10	on the transmission side, that measures the
11	have a trip at one of your hydro plants but	11	performance of our transmission lines and that
12	because you can see that coming, you can	12	may or may not impact delivered point
13	arrange your or change your system to prevent	13	performance. When you get down to the
14	loss of load actually being experienced by	14	distribution side, most of those events would
15	Newfoundland Power, that wouldn't affect your	15	actually affect the delivery point
16	delivery point performance.	16	performance. But Mr. Martin would be more
17	A. If we have time to take, you know, take	17	versed in both the transmission and
18	action, it will not affect the delivery point	18	distribution statistics than I.
19	performance. But it would reflect back into	19	Q. Okay, but in that sort of pancake mode or
20	the other statistics that we monitor on	20	layered cake mode, the distribution if there's
21	generation performance.	21	an erosion in your SAIDI or SAIFI at the
22	Q. And that's what I was going to ask you. So in	22	distribution level, that will impact your
23	the case of U No. 3, in reliability for	23	delivery point performance indices in so far
24	generation, your weighted capability factor	24	as say, Newfoundland Power, what Newfoundland
25	and your weighted DAFOR, would they be	25	Power sees.
L		-	

Multi-PageTMNL Hydro's 2003 General Rate Application

	ber 24, 2003 Mult	i-Paş	ge NL Hydro's 2003 General Rate Application
	Page 25		Page 26
1 M	R. HAYNES:	1	the factor that means the most to Newfoundland
2	A. Most of our distribution would be to our	2	Power would be obviously their end customer
3	actualour customers.	3	performance, whether we caused the event or
4	Q. Okay.	4	whether they caused the event to their system.
5	A. Our transmission would have an impact innot	5	And they do track Newfoundland Power from
6	all cases but some cases on our delivery point	6	based on the meetings that we had with
7	performance to Newfoundland Power. For	7	Newfoundland Power, they do allocate this is
8	instance, if there are two transmission lines	8	our fault or their fault.
9	that go into a delivery point to Newfoundland	9	Q. Yes. I think they recently changed their
10	Power and we lose one line, we don't lose	10	short-term incentive base SAIDI and SAIFI
11	service. If it's a radial line where we have	11	targets to include generation loss, as
12	one transmission line going in and we lose a	12	something that they also measure because it
13	transmission line, obviously, that would	13	affects their end customer.
14	affect the end customer performance.	14	A. I'm not sure.
15	Q. So if I wanted to look at one indicae in order	15	Q. And I guess what I'm trying to figure out is
16	to see what Hydro's performance is, vis-a-vis,	16	if I wanted to see what Hydro's performance is
17	Newfoundland Power, what your performance in	17	to Newfoundland Power, there's no one indicae
18	providing the product that you provide to	18	here that I can look at and track that year
19	Newfoundland Power, what would I look at?	19	over year.
20	A. I don't think there's any specific one that is	20	A. Not in this chart that puts that into one sole
21	solely a Newfoundland Power performance index	21	number, no.
22	on this chart because as I said, the	22	Q. In your number three there's a measurement
23	generation affects it, the transmission	23	here of your generation controllable costs,
24	affects it. But there was no compositethere	24	OM&A dollars per installed megawatts. And
25	is no composite aspect there. It's the most	25	it's a note one there and it says "Subsequent
	Page 27		Page 28
1	to meetings with Grant Thornton, Hydro has	1	had a good water year and we had a tremendous
2	determined that a more appropriate cost driver	2	amount of megawatt hours, he would do very,
3	of generation OM&A cost is megawatts of	3	very good. The next year if it's dry, he
4	installed capacity." Now the indicae that was	4	would do very, very bad. So we think that the
5	being recommended by Grant Thornton was OM&A	5	megawatt and I think Grant Thornton were
6	cost per installed megawatt hour I think?	6	agreeable to that, would be a better measure
7	A. And we still maintain on a high level the	7	for him to focus on at that level.
8	controllable unit cost which is the first item	8	Q. The last topic I wanted to just discuss with
9	on the table which is controllable cost for	9	you was some questions about the Interruptible
10	forecast of megawatt hour delivery. The	10	B program. And if we could go to the 2001 GRA
11	rationale for making that change on the	11	material, Mr. O'Reilly and IC-165. Mr.
12	generation is that if the thermal plant	12	Haynes, this was a question asking how many
13	operator at Holyrood was looking at that	13	occasions has Hydro interrupted the
14	there, his generation can be, you know, 2.5	14	Stephenville ACI pursuant to the Interruptible
15	terawatt hours, could be as low as one	15	contract.
16	terawatt hour. So it's a very moving target,	16	A. Yes.
17	but the megawatt capability that he has to	17	Q. And it's self-evident there that since 1995
18	maintain and keep useful, use and useful, is	18	there hadn't been any interruptions to 2001.
19	static. So, you know, the divisor doesn't	19	A. Up to the end of 2001, that's correct.
20	change. So you get a betterwe think it's a	20	Q. Were there any interruptions in 2002 or so far
21	better indication at his level, at their level	21	in 2003?
22	on how good a job they're doing or, you know,	22	A. I'm not 100 percent, I thought there was one
23	watching the bar to see if they're increasing	23	but I'm not quite certain.
24	cost and try to control it. Whereas theand	24	Q. Can you give us a general reason why there
25	similar for the hydraulic production. If we	25	would seem to have been more interruptions in

	Page 29		Page 30
1 N	IR. KENNEDY:	1	proposed by Hydro in sofar as that there's a
2	the early 90s than in the late 90s and into	2	potential it could create an incentive, I
3	the 2000 when according to Hydro's data, the	3	think is the way it's been put for
4	capacity issue is becoming more acute as we	4	Newfoundland Power to use its generating
5	move along. In other words, your capacity	5	resources in a less than optimal manner?
6	would have been constrained more in 1998 or	6	A. Yes and I believe Newfoundland Power did
7	1999 than in 1992 and if so, why would you	7	respond that they would adhere to the Act
8	have been interrupting back in '93, '94, '95	8	which basicallyI mean they said they would
9	and not in '96, '97, '98 and so on?	9	do that, I think they implied that there may
10	A. A lot of conjecture on my part. The only	10	be some motivation do otherwise or something
11	there may be some link back to the	11	along those lines.
12	availability factor of Holyrood which was	12	Q. Given, I suppose, their position, you could
13	really notwe didn't make big improvements	13	assume that sort of conceptually they see that
14	until '95, '96, '97, I guess, when we	14	weakness in the wholesale demand rate, if
15	partnered with the OEMs, but that's a very	15	there is this incentive to use their
16	weak response and I don't have thatI did not	16	generation resources more than optimal, but
17	go back and review specifics of why we're in	17	that would be conjecture on both our parts.
18	that particular situation. It may have been	18	A. Yes, it would be.
19	equipment problems orand so on. I don't	19	Q. But EES has a recommendation in its report
20	have that information.	20	concerning central dispatching. Did you
21	Q. I have one more question area. Have you had	21	notice that when you were looking through the
22	an opportunity to review the report of EES?	22	report?
23	A. I've read the report, yes.	23	A. Yes, I read the report, but I didn'tI guess
24	Q. You're familiar then with the issue	24	at the time, it was uncertain whether it was
25	-		
	surrounding the wholesale demand rate as being	25	going to be filed. I read the report, but I
	surrounding the wholesale demand rate as being	25	going to be filed. I read the report, but I
1	Page 31		Page 32
1	Page 31 didn't study it to that degree.	1	Page 32 there are a lot of the run of the river type
2	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report	1 2	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities
2 3	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two	1 2 3	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the
2 3 4	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the	1 2 3 4	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So
2 3 4 5	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you	1 2 3 4 5	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and
2 3 4 5 6	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to	1 2 3 4 5 6	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some
2 3 4 5 6 7	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed?	1 2 3 4 5 6 7	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that
2 3 4 5 6 7 8	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required.	1 2 3 4 5 6 7 8	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can
2 3 4 5 6 7 8 9	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre-	1 2 3 4 5 6 7 8 9	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But
2 3 4 5 6 7 8 9 10	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between	1 2 3 4 5 6 7 8 9 10	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint.
2 3 4 5 6 7 8 9 10 11	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an	1 2 3 4 5 6 7 8 9 10 11	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your-
2 3 4 5 6 7 8 9 10 11 12	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in	1 2 3 4 5 6 7 8 9 10 11 12	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your- -unless there's some outage issue, it's going
2 3 4 5 6 7 8 9 10 11 12 13	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in your Energy Control Centre calling in to	1 2 3 4 5 6 7 8 9 10 11 12 13	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your- -unless there's some outage issue, it's going to come in the winter months?
2 3 4 5 6 7 8 9 10 11 12 13 14	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in your Energy Control Centre calling in to Newfoundland Power's Energy Control Centre?	1 2 3 4 5 6 7 8 9 10 11 12 13 14	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your- unless there's some outage issue, it's going to come in the winter months? A. Usually January, late December, January,
2 3 4 5 6 7 8 9 10 11 12 13	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in your Energy Control Centre calling in to Newfoundland Power's Energy Control Centre? A. We would look atthe Energy Control Centre	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your- -unless there's some outage issue, it's going to come in the winter months? A. Usually January, late December, January, February.
2 3 4 5 6 7 8 9 10 11 12 13 14 15	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in your Energy Control Centre calling in to Newfoundland Power's Energy Control Centre? A. We would look atthe Energy Control Centre would look at it, and there was a little bit	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your- -unless there's some outage issue, it's going to come in the winter months? A. Usually January, late December, January, February. Q. Right, and it's at that point that Hydro grabs
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in your Energy Control Centre calling in to Newfoundland Power's Energy Control Centre? A. We would look atthe Energy Control Centre	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your- -unless there's some outage issue, it's going to come in the winter months? A. Usually January, late December, January, February.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in your Energy Control Centre calling in to Newfoundland Power's Energy Control Centre? A. We would look atthe Energy Control Centre would look at it, and there was a little bit of discussion yesterday on the order that we	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your- -unless there's some outage issue, it's going to come in the winter months? A. Usually January, late December, January, February. Q. Right, and it's at that point that Hydro grabs the stick, if you will?
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in your Energy Control Centre calling in to Newfoundland Power's Energy Control Centre? A. We would look atthe Energy Control Centre would look at it, and there was a little bit of discussion yesterday on the order that we would seek resolution, you know. On a normal	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your-unless there's some outage issue, it's going to come in the winter months? A. Usually January, late December, January, February. Q. Right, and it's at that point that Hydro grabs the stick, if you will? A. Well, we initiate a phone call to their
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in your Energy Control Centre calling in to Newfoundland Power's Energy Control Centre? A. We would look atthe Energy Control Centre would look at it, and there was a little bit of discussion yesterday on the order that we would seek resolution, you know. On a normal basis, when we have no generation constraints,	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your-unless there's some outage issue, it's going to come in the winter months? A. Usually January, late December, January, February. Q. Right, and it's at that point that Hydro grabs the stick, if you will? A. Well, we initiate a phone call to their Control Centre and their Control Centre, most
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in your Energy Control Centre calling in to Newfoundland Power's Energy Control Centre? A. We would look atthe Energy Control Centre would look at it, and there was a little bit of discussion yesterday on the order that we would seek resolution, you know. On a normal basis, when we have no generation constraints, we would not approach Newfoundland Power for	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your-unless there's some outage issue, it's going to come in the winter months? A. Usually January, late December, January, February. Q. Right, and it's at that point that Hydro grabs the stick, if you will? A. Well, we initiate a phone call to their Control Centre and their Control Centre, most of these plants, they have remote control and they will actually initiate them and put them up to whatever that capability is or near.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in your Energy Control Centre calling in to Newfoundland Power's Energy Control Centre? A. We would look atthe Energy Control Centre would look at it, and there was a little bit of discussion yesterday on the order that we would seek resolution, you know. On a normal basis, when we have no generation constraints, we would not approach Newfoundland Power for that. We have dialogue with Newfoundland	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your-unless there's some outage issue, it's going to come in the winter months? A. Usually January, late December, January, February. Q. Right, and it's at that point that Hydro grabs the stick, if you will? A. Well, we initiate a phone call to their Control Centre and their Control Centre, most of these plants, they have remote control and they will actually initiate them and put them up to whatever that capability is or near. Q. Has there ever been, in your recollection, an
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	Page 31 didn't study it to that degree. Q. Okay. I just wonder, in yourin the report on the joint coordination between the two utilities, there's a description of the process for Hydro's dispatching and that you can, at times, call upon Newfoundland Power to provide power when it's needed? A. Yes, and we do that as required. Q. And is that done by virtue of a pre- established sort of written protocol between the two utilities or is this done in an informal manner, where it's just a person in your Energy Control Centre calling in to Newfoundland Power's Energy Control Centre? A. We would look atthe Energy Control Centre would look at it, and there was a little bit of discussion yesterday on the order that we would seek resolution, you know. On a normal basis, when we have no generation constraints, we would not approach Newfoundland Power for that. We have dialogue with Newfoundland Power during the peak, when peak is expected,	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 Page 32 there are a lot of the run of the river type generation, and you know, the opportunities for a lot of that is limited, because of the nature of the plants and the construction. So they have water they turbine, you know, and they do that. But they do build up some hydraulic reserves in the fall to ensure that they are available to as high as they can during the expected peak. I know that. But we would only ask them if we saw a constraint. Q. Right, which is usually going to come in your-unless there's some outage issue, it's going to come in the winter months? A. Usually January, late December, January, February. Q. Right, and it's at that point that Hydro grabs the stick, if you will? A. Well, we initiate a phone call to their Control Centre and their Control Centre, most of these plants, they have remote control and they will actually initiate them and put them up to whatever that capability is or near.

Discoveries Unlimited Inc., Ph: (709)437-5028

Multi-PageTMNL Hydro's 2003 General Rate Application

	tober 24, 2003	viuiu-Pag	ge NL Hydro's 2003 General Rate Application
	Pa	ge 33	Page 34
1	MR. HAYNES:	1	A. No, my answers were with respect to the
2	A. Not that I'm aware of, and I'm quite sure that	2	Interconnected System and it certainly reads
3	they would always respond. You know, if we	3	that it does, but they do not control any of
4	don't meet the load, it's all customers will	4	the isolated diesel plants.
5	suffer, including Newfoundland Power	5	Q. So when you were talking about the Energy
6	customers.	6	Control Centre remotely controlling diesel
7	Q. That's all the questions I have, Chair. Thank	7	units, what did you mean?
8	you, Mr. Haynes.	8	A. They would remotely control the St. Anthony
9	A. You're welcome. Thank you.	9	and the Hawke's Bay, you know, those plants,
10	CHAIRMAN:	10	not the L'Anse au Loup or the Cartwrights, et
11	Q. Thank you, Mr. Kennedy and Mr. Haynes. Good	11	cetera.
12	morning, Ms. Greene. Begin your redirect	12	Q. So it's the diesel units that are
13	please, when you're ready.	13	interconnected to the system? Is that correct?
14	GREENE, Q.C.:	14	A. That's correct.
15	Q. Good morning, Mr. Chair, Commissioners. Mr.	15	Q. The next area for redirect arises also from
16	Haynes, the first question that I have for you	16	cross-examination by Mr. Kelly, this time with
17	in direct arises from cross-examination by Mr.	17	respect to the fuel conversion factor at
18	Kelly on Monday, and in the course of the	18	Holyrood. There were a couple of information
19	cross-examination, on a couple of occasions,	19	requests that Mr. Kelly took you through and
20	there was discussion with respect to the	20	there are two additional ones that I would
21	diesel units and whether the Energy Control	21	like to refer you to at this time. The first
22	Centre mostly controlled the diesel units.	22	is NP-267. In the cross-examination of Mr.
23	With respect to that, does the Energy Control	23	Kelly, it was established that there were some
24	Centre remotely control the diesel units in	24	projects undertaken at the Holyrood plant in
25	the isolated areas?	25	order to ensure the efficiency factor was
	Da	ge 35	Page 36
1	maintained and improved, if possible, and I	ge 55	with 628 kilowatt hours per barrel because
2	guess, the issue is with respect to whether	2	other factors that were not present in the
3	these projects were taken into account in	3	past may lead to a deterioration in this
4	Hydro's recommendation, with respect to the	4	performance. This includes the effects of new
5	624 kilowatt hours per barrel that we have	5	generation sources on the residual load
6	proposed with setting rates for 2004. In NP-	6	available to Holyrood and the potential
7	267, I wonder, please, if you could read the	7	environmental factors that may come to light
8	sentence beginning at line 18, please?	8	through the use of the CEN system." And as
9	A. "The addition of this system and the water	9	well, if you were to look at IC-317 or at
10	lance and reheater tubing on Unit No. 3 were	10	least, I just hit the high points. That
11	considered by Hydro in proposing the increase	10	particular RFI looked at several factors that
12	from 615 kilowatt hours per barrel to 624	11	influenced the ultimate fuel efficiency we
12	kilowatt hours per barrel for 2004."	12	achieve and they were the actual unit that is
13	Q. So Hydro did take into account the projects	13	used. They're not all the same. Particularly
14	that have been completed or are in process at	14	No. 3 is not as efficient as Unit No. 1 and 2.
15	Holyrood in their recommendation? Is that	15	The load level which is primarily dictated by
17	correct?	10	the Energy Control Centre. We also have
18	A. That's correct.	17	issues of unit fouling with respect to the
	(9:45 a.m.)	18	various heat exchangers, air to air, water to
20	Q. And why does notand I guess the issue of why	20	water, and the condenser performance and so
20	Hydro is not recommending a higher number was	20	on. There are also some fuel measurement
21	also dealt with in this answer. Could you	21	factors, you know, when the actual measurement
22	just read the sentence beginning at line 14,	22 23	is done, as well as the heat content of the
23 24	please?	23 24	fuel, which is not static. It does change a
24	A. "However, Hydro does not recommend proceeding		bit, and also, the ambient air conditions. So
123	A. However, Hydro does not recommend proceeding	, 23	on, and also, the amount an conditions. So

	Page 37		Page 38
1 N	AR. HAYNES:	1	and so on and fouling. As you start off the
2	if the water in Indian Pond, for instance, is	2	year, when you start off with three clean
3	warmer or colder, it will affect the	3	boilers and so on, you know, you have a good
4	efficiency of the condenser and other factors.	4	chance of doing very well. As time goes on,
5	The other item which is not listed there,	5	it will deteriorate because of fouling, which
6	which is probably worthy of note, is that of	6	is natural.
7	all the various auxiliary systems that we have	7	Q. Now Mr. Kelly talked to you about what the
8	in Holyrood and the maintenance aspects, you	8	impact is if Hydro achieves more than the
9	know, we can have a piece of equipment out for	9	efficiency that is set by the Board, and I'd
10	a period of time, a heater or a pump or	10	like to talk to you about what happens in the
11	whatever, and all those will have some impact	11	reverse situation, which is if the efficiency
12	on the ultimate performance of the conversion	12	factor is set by the Board and Hydro does not
13	factor. So what we have proposed is that we	13	achieve it, and I wonder here, Mr. O'Reilly,
14	achieve these benefits and that they will be	14	please, if we could go to IC-207? Now in this
15	reflected in the average on a go-forward	15	particular case, the question relates to an
16	basis.	16	actual efficiency of 648 and if 615 only had
17	Q. You've just talked about the number of factors	17	been achieved, and my question to you is: if
18	that can influence the conversion factor for	18	in fact using these numbers the Board had
19	Holyrood, and I gather from your answer as	19	established an efficiency factor of 648, which
20	well as from IC-317, there are quite a number	20	we certainly don't recommend, because we're
21	of factors that can directly impact the	21	recommending 624 but I'm using it for
22	efficiency that's achieved. Is that correct?	22	illustrative purposes, and Hydro had achieved
23	A. There really are numerous factors, of all the	23	only the 615, would the results be that
24	various mechanical andprimarily mechanical	24	instead of what's shown there in the last
25	equipment and heat exchangers and preheaters	25	paragraph, that there would have been a impact
	Page 39		Page 40
1	Page 39 of 6.1 million positive that there would be a	1	Page 40 an explanation that the services were required
1 2	of 6.1 million positive that there would be a	1	an explanation that the services were required
2	of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result	2	an explanation that the services were required relative to the intranet document management
2 3	of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the		an explanation that the services were required relative to the intranet document management security, and that reads there in the
2 3 4	of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board?	2 3 4	an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is
2 3 4 5	of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board?A. It's pretty well a symmetrical event. It may	2 3 4 5	an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct?
2 3 4 5 6	of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board?A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn	2 3 4 5 6	an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct?A. No, that particular amount of money was for
2 3 4 5 6 7	of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board?A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go	2 3 4 5 6 7	an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct?A. No, that particular amount of money was for several projects in the IS&T department, such
2 3 4 5 6 7 8	of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board?A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the	2 3 4 5 6 7 8	an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct?A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and
2 3 4 5 6 7 8 9	of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board?A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus.	2 3 4 5 6 7 8 9	an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct?A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate
2 3 4 5 6 7 8 9 10	of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board?A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus.Q. So that if Hydro did not, in fact, in this	2 3 4 5 6 7 8 9 10	an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct?A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was
2 3 4 5 6 7 8 9 10 11	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that 	2 3 4 5 6 7 8 9 10 11	an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct?A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security
2 3 4 5 6 7 8 9 10 11 12	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of 	2 3 4 5 6 7 8 9 10 11 12	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for
2 3 4 5 6 7 8 9 10 11 12 13	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3. 7 	2 3 4 5 6 7 8 9 10 11 12 13	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally
2 3 4 5 6 7 8 9 10 11 12 13 14	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3. 7 million directly hitting Hydro's bottom line 	2 3 4 5 6 7 8 9 10 11 12 13 14	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally contract. There was some money spent on
2 3 4 5 6 7 8 9 10 11 12 13 14 15	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3.7 million directly hitting Hydro's bottom line and being a negative for Hydro? Is that 	2 3 4 5 6 7 8 9 10 11 12 13 14 15	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally contract. There was some money spent on document management initiatives, review,
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3.7 million directly hitting Hydro's bottom line and being a negative for Hydro? Is that correct? 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally contract. There was some money spent on document management initiatives, review, customer service programs, some money for
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3. 7 million directly hitting Hydro's bottom line and being a negative for Hydro? Is that correct? A. Yes, that's correct. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally contract. There was some money spent on document management initiatives, review, customer service programs, some money for evaluating Windows XP as an operating system,
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3. 7 million directly hitting Hydro's bottom line and being a negative for Hydro? Is that correct? A. Yes, that's correct. Q. The next question for redirect also arises 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally contract. There was some money spent on document management initiatives, review, customer service programs, some money for evaluating Windows XP as an operating system, and some money on the intranet. So it was, by
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3. 7 million directly hitting Hydro's bottom line and being a negative for Hydro? Is that correct? A. Yes, that's correct. Q. The next question for redirect also arises from a question of Mr. Kelly, and I'd like, 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally contract. There was some money spent on document management initiatives, review, customer service programs, some money for evaluating Windows XP as an operating system, and some money on the intranet. So it was, by and large, a number of smaller items.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3. 7 million directly hitting Hydro's bottom line and being a negative for Hydro? Is that correct? A. Yes, that's correct. Q. The next question for redirect also arises from a question of Mr. Kelly, and I'd like, Mr. O'Reilly, if you could bring up the 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally contract. There was some money spent on document management initiatives, review, customer service programs, some money for evaluating Windows XP as an operating system, and some money on the intranet. So it was, by and large, a number of smaller items. Q. So the 224, as you just mentioned, is for a
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3. 7 million directly hitting Hydro's bottom line and being a negative for Hydro? Is that correct? A. Yes, that's correct. Q. The next question for redirect also arises from a question of Mr. Kelly, and I'd like, Mr. O'Reilly, if you could bring up the transcript please of October 21 at page 122, 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally contract. There was some money spent on document management initiatives, review, customer service programs, some money for evaluating Windows XP as an operating system, and some money on the intranet. So it was, by and large, a number of smaller items. Q. So the 224, as you just mentioned, is for a number of miscellaneous type of projects in
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3.7 million directly hitting Hydro's bottom line and being a negative for Hydro? Is that correct? A. Yes, that's correct. Q. The next question for redirect also arises from a question of Mr. Kelly, and I'd like, Mr. O'Reilly, if you could bring up the transcript please of October 21 at page 122, and it relates to the professional services 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally contract. There was some money spent on document management initiatives, review, customer service programs, some money for evaluating Windows XP as an operating system, and some money on the intranet. So it was, by and large, a number of smaller items. Q. So the 224, as you just mentioned, is for a number of miscellaneous type of projects in the IT side and not for just one project. In
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3. 7 million directly hitting Hydro's bottom line and being a negative for Hydro? Is that correct? A. Yes, that's correct. Q. The next question for redirect also arises from a question of Mr. Kelly, and I'd like, Mr. O'Reilly, if you could bring up the transcript please of October 21 at page 122, and it relates to the professional services for 2002 for IT. We were talking there about 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally contract. There was some money spent on document management initiatives, review, customer service programs, some money for evaluating Windows XP as an operating system, and some money on the intranet. So it was, by and large, a number of smaller items. Q. So the 224, as you just mentioned, is for a number of miscellaneous type of projects in the IT side and not for just one project. In fact, there is an intranet project, a document
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 of 6.1 million positive that there would be a 6.1 million dollar negative impact as a result of not achieving the efficiency set by the Board? A. It's pretty well a symmetrical event. It may not be a dollar for dollar, but it's darn close, and it's a balance risk. It can go either way and it basically spins around the centre line. It can be a plus or minus. Q. So that if Hydro did not, in fact, in this particular illustrative example, achieve that efficiency there would be the net impact of approximately \$6 million with about \$3.7 million directly hitting Hydro's bottom line and being a negative for Hydro? Is that correct? A. Yes, that's correct. Q. The next question for redirect also arises from a question of Mr. Kelly, and I'd like, Mr. O'Reilly, if you could bring up the transcript please of October 21 at page 122, and it relates to the professional services 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 an explanation that the services were required relative to the intranet document management security, and that reads there in the transcript as though it's one project. Is that correct? A. No, that particular amount of money was for several projects in the IS&T department, such things as a Strategy Showcase upgrade, and it's a program used to get data and generate reports in the JD Edwards system. There was an EMS SCADA portion. There was some security consulting. There was inspection service for our microwave towers, which we normally contract. There was some money spent on document management initiatives, review, customer service programs, some money for evaluating Windows XP as an operating system, and some money on the intranet. So it was, by and large, a number of smaller items. Q. So the 224, as you just mentioned, is for a number of miscellaneous type of projects in the IT side and not for just one project. In

Discoveries Unlimited Inc., Ph: (709)437-5028

Multi-PageTMNL Hydro's 2003 General Rate Application

	ober 24, 2003 Mu	iti-Pag	e NL Hydro's 2003 General Rate Application
	Page 4	1	Page 42
1 1	MR. HAYNES:	1	the actual number that we rely upon for, you
2	A. Yes, and a few others besides. It's several	2	know, several hours at a time, if you will.
3	smaller items.	3	But on a continuous basis at Holyrood, because
4	Q. The next question is just to correct for the	4	of some of the items I mentioned a minute ago
5	record with respect to the receipt of the PIRA	5	on theyou know, when you start off in
6	forecast. On October 21, at page 141, you	6	September when you have clean boilers, as you
7	were asked the question "how often does Hydro	7	get down to March basically, even though we,
8	receive a PIRA forecast?" and you responded	8	you know, do various things, there is some
9	that you thought it was quarterly. Is that in	9	deterioration of boiler performance over time.
10	fact correct?	10	So the actual megawatt number that's used to
11	A. No, I thought wrong. It's monthly actually we	11	calculate the 2996 is what we consider to be a
12	receive the forecast.	12	continuous rating that we can sustain, and
13	Q. The next question arises through the cross-	13	that's 456 megawatts, and then it's basically
14	examination of Mr. Hutchings, and it's also	14	456 times 8760 times 75 percent would lead to
15	the question that Mr. Hutchings asked about	15	the 2996 gigawatt hours.
16	yesterday, and it relates to the determination	16	Q. And that wasn't evident from the information
17	of the average annual energy for Holyrood, and	17	that was filed, so Mr. Hutchings wouldn't be
18	the difficulty Mr. Hutchings had in coming up	18	able to do the calculation. Is that correct?
19	with the calculation of the 2,996 gigawatt	19	A. The number was very close, but it was not spot
20	hours as shown as the annual energy capacity	20	on. That's correct.
21	for Holyrood, and I wonder, Mr. Haynes, if you	21	Q. And as you just explained, that's because it's
22	could explain the calculation that results in	22	not the actual maximum capacity of each of the
23	that number?	23	units, but it's the number that you have
24	A. Yes. There are a couple of factors here. In	24	determined to be what's available on a
25	our LOLH and so on, we use 465.5 megawatts as	25	continuous basis from each of the units?
	Page 4	.3	Page 44
1	A. That's correct.	1	Q. So in addition to the risk of spill which you
2	Q. The next question on redirect also arises from	2	didn't mention on October 21, I think there
3	the cross-examination of Mr. Hutchings and	3	were two factors that you did say also
4	it's in the transcript of October 21 at page	4	influenced why Hydro would not seriously
5	141 is the first reference. October 21, page	5	consider that suggestion, and they were the
6	141, and it's lines, I guess, 5 toactually	6	volatility of prices? Is that correct?
7	it started on the previous page, and Mr.	7	A. That's correct.
8	Hutchings came back to it later, but the	8	Q. And the other one was the impact it could have
9	suggestion by Mr. Hutchings was that Hydro	9	on the Holyrood operating performance?
10	should consider spot market purchases in the	10	A. Yes.
11	summer to build water reservoirs for the	11	Q. The last question for redirect, before I come
12	winter, and in your answer, I guess, you dealt	12	to responding to the undertakings of
13	with some of the factors why Hydro wouldn't	13	yesterday, arises from the cross-examination
14	consider doing that, and I wanted you to	14	of Mr. Kelly. And it is to deal with the
15	expand on that at this time. Why isn't that a	15	discussion you had with Mr. Kelly on
16	good suggestion from Hydro's perspective?	16	Reliability Centred Maintenance, and I just
17	A. I guess the other significant factor that I	17	wanted to briefly review that with you. What
18	neglected to mention was the fact that we	18	is the status of Reliability Centred
19	would significantly increase our risk of	19	Maintenance in your division, first with
20	spill. If you were to operate close to the	20	respect to the Holyrood plant?
21	top of the chart there and we had anything	21	A. As I mentioned, I did mention that we do
22	abnormal, any increased rain or whatever, then	22	employ RCM tactics at the Holyrood gas turbine
23	we would put ourselves very, very probably in	23	and we had been looking at RCM in Holyrood for
23	we would put ourserves very, very probably in	23	and we had been looking at Kew in Horytood for
23	a spill situation, which would be very	23	a period of time, and we do have presently a consultant engaged to review our approach to

Page 45 Page 45 1 MR. HAYNES: are some redundancy systems there. You have 2 RCM in Holyrood and we are looking at several are some redundancy systems there. You have 3 systems to evaluate whether that's going to be are some redundancy systems there. You have 4 cost effective and actually save us money, and infrastructure is not as complex and the 5 ubat will be done late this year, early in on say that there are no opportunities. But 6 Q. That's with respect to Holyrood. in and also the Holyrood results before we 9 With respect to Holyrood. 0. That's orgeneration, we have not pursued, to 10 the same level, RCM as we have at Holyrood. 11 this sime, we are in a position to respond to 11 there are a couple of factors. One is that 12 undertakings that were given yestenday. 12 or CH2, Co had proposed to evaluat eour RCM for 14 their hydro units, which although they are 15 bigger, it's still a hydro unit and the 15 first undertaking is found on page 90 fibe 16 various components are one and the same in 16 transcript, and it deals with the cost 17 most cases. So we though it would be 18 the CMP transmission line being assinged to 18 inflatives that could be, and we would 10 common, based on the 2001 GRA. We are on in a				
2 RCM in Holyrood and we are looking at several. 2 two pumps or whatever. In a hydro plant, the 3 systems to evaluate whether that's going to be 3 infrastructure is not as complex and the 3 cost effective and actually save us money, and 5 not say that there are no opportunities. But 4 opportunities may not be as great, but I would 5 not say that there are no opportunities. But 7 based on those results. But on the sevent as we see appropriate, 7 and also the Holyrood results before we 8 . A In hydro generation, we have not pursued, to 9 (10:00 a.m.) 10 A. In hydro generation, we have not pursued, to 10 0. That completes the actual redirect, and at 11 their hydro units, which although they are 14 requested by the Industrial Customers. The 13 bigger, it's still a hydro unit and the 15 first undertaking is found on page 90 of the 14 their hydro enties are outher own that they 10 Dimitatives that could be, and we would 10 15 if they identified any major savings 19 common, based on the 2004 data. It was in 16 the when you compare a Holyrood versus a 20				C C
systems to evaluate whether that's going to be 3 infrastructure is not as complex and the 4 cost effective and actually save us morey, and 5 opportunities may not be as great, but I would 6 2004, and we will react as we see appropriate, 6 we would like to evaluate the CFU, for results 7 based on those results. and also the Holyrood results before we as dalso the Holyrood results before we 8 Q. That's with respect to Holyrood. What about 9 (10:00 a.m.) 9 A. In hydro generation? 9 Q. That completes the actual redirect, and at 11 the same level, RCM as we have at Holyrood. 11 this time, we are in a position to respond to thats; 12 There are a couple of factors. One is that 11 this time, we are in a position to respond to thats; 13 CFEUCo had proposed to evaluate our RCM for 15 requested by the Industrial Customers. The 16 various components are one and the same in 16 transcript, and it deals with the cost implications for the Industrial Customers of 18 appropriate to wait and see how they did and 18 the GNP transcript, starting on 20 position to respond to that deals. 10 to trespond to the doal?				· ·
4 cost effective and actually save us money, and 4 opportunities may not be as grant, but Would 5 that will be done late this year, early in 5 not say that there are no opportunities. But 6 2004, and we will react as we see appropriate, 6 we would like to evaluate the CV(L)C results 7 based on those results. 7 and also the Holyrood results before we 8 0. That's with respect to Holyrood. What about 7 and also the Holyrood results before we 9 0. That's with respect to hydro generation? 9 (0.000 a.m.) 0. That completes the actual redirect, and at 10 A. In hydro generation? 10 0. That completes the actual redirect, and at 11 12 There are a couple of factors. One is that 12 requested by the Industrial Customers. The 13 opticate owait and see how they did and 16 transcript, and it deals with the cost 14 they identified any major savings 19 common, based on the 2004 duate. It was in 14 they identified any major savings 19 effect a request to update IC 180 that had 15 bigger, i's still a hydro unit and the 12 it will be next wee before we'll be able to <	1	•		
5 that will be done late this year, early in 5 not say that there are no opportunities. But 6 2004, and we will react as we see appropriate, 6 we would like to evaluate the CFL/CO results 8 Q. That's with respect to Holyrood. What about 8 actually move. 9 9 A. In hydro generation, we have not pursued, to 10 Q. That completes the actual redirect, and at 11 the same level, RCM as we have at Holyrood. 11 11 this time, we are in a position to respond to 12 There are a couple of factors. One is that 11 11 undertakings that were given respond to 13 CFU;Co had proposed to evaluate our RCM for 13 Yesterday, there were three undertakings 14 their hydro units, which although they are 15 first undertaking is found on page 99 of the 15 bigger, it's still a hydro unit and the 15 first undertaking is found on page 16 various components are one and the same in 16 transcript, and It deals with the cost 16 initiatives that could be, and we would 20 effect a request to update tC-180 that had 21 bosically capitalize on the work that they 21 ot methoustrial <td></td> <td></td> <td></td> <td>*</td>				*
6 2004, and we will react as we see appropriate, 6 we would like to evaluate in CFGL/C results 7 based on those results. 6 we would like to evaluate in CFGL/C results 9 0. That's with respect to hydro generation? 9 0. That's with respect to hydro generation? 9 10 A. In hydro generation? 9 0. That's with respect to hydro generation? 9 11 There are a couple of factors. One is that 12 12 There are a couple of factors. One is that 12 13 CFGL/Co had proposed to evaluate on CKM for 14 this time, we are in a position to respond to 14 their hydro units, which although they are 14 requested by the Industrial Customers. The 15 bigger, it's still a hydro unit and the 15 first undertaking is found on page 99 of the 16 void have done. The other smaller factor is 20 common, based on the 2004 data. It was in 20 initiatives that could be, and we would 20 effect a request to update CL-30 that had 21 bydro plant, there are a lot more subsidiary 23 it will be next week before we'll be able to 23 hydro plant, there are a lot more subsidiary 24 d		• •	4	
7 and also the Holyrood results before we actually move. 8 Q. That's with respect to Holyrood. What about with respect to hyloro generation? 7 and also the Holyrood results before we actually move. 9 Q. That's with respect to hyloro generation? 9 (10:00 a.m.) 9 10 A. In hydro generation? 9 (10:00 a.m.) 9 Q. That completes the actual redirect, and at this itme, we are in a position to respond to 12 There are a couple of factors. One is that 12 undertakings that were given yesterday. 13 CFGLCo had proposed to evaluate our RCM for is most cases. So we hought it would be 13 requested by the Industrial Customers. The 14 their hydro units, which although they are 16 transcript, and it deals with the cost 16 various components are one and the sume in 16 transcript, and it deals with the cost 17 most cases. So we though it would be 18 the GNP transmission line being assigned to 10 initiatives that could be, and we would 20 effect a request to update Citals with a had case. 21 basically capitalize on the work that they 21 been filed in the 2001 GRA. We are not in a 22 would have done. The other smaller facto	5		5	
8 Q. That's with respect to hydro generation? s actually move. 9 (0:000 a.m.) (0) (1:0:00 a.m.) 11 the same level, RCM as we have at Holyrood. 11 12 There are a couple of factors. One is that 12 13 CFUCO had proposed to evaluate our RCM for 12 14 their hydro units, which although they are 13 14 they dentified any major savings 14 15 appropriate to wait and see how they did and 16 16 various components are one and the same in 16 17 most cases. So we thought it would be 17 18 appropriate to wait and see how they did and 18 19 if they identified any major savings 19 20 initiatives that could be, and we would 20 common, based on the 2001 GAA. We are not in a 21 that when you compare at Holyrood and there 22 position to respond to that today. I believe 22 that when you compare at Holyrood and there 23 11 ib entitial information. 22 that when you compare at Holyrood and there 24 hydro plant, there are a lot more	6		6	
9 with respect to hydro generation, we have not pursued, to 9 (10:00 a.m.) 10 A. In hydro generation, we have not pursued, to 10 0. That completes the actual redirect, and at 11 the same level, RCM as we have at Holyrood. 10 0. That completes the actual redirect, and at 12 There are a couple of factors. One is that 11 this time, we are in a position to respond to 13 CFLLCO had proposed to evaluate our RCM for 13 Yesterday there were three undertakings 14 the same are one and the same in 15 First undertaking is found on page 99 of the 16 various components are one and the same in 16 transcript, and it deals with the cost 10 if they identified any major savings 10 common, based on the 2004 data. It was in 20 initiatives that could be, and we would 20 effect a request to update IC-180 that had 21 basically capitalize on the work that they 21 page 10 the other smaller factor is 22 23 that when you compare a Holyrood wersus a 23 it will be next week before we'll be able to 24 hydro plant, there are a lot more subsidiary 23 A. The Hawke's Say units were on maintennee, so	7		7	•
10 A. In hydro generation, we have not pursued, to 10 Q. That completes the actual redirect, and at this time, we are in a position to respond to iteratalings that were given yesterday. 11 There are a couple of factors. One is that 11 this time, we are in a position to respond to iteratalings that were given yesterday. 13 CFU2Co had proposed to evaluate our RCM for 13 Yesterday there were three undertakings if found on page 99 of the 14 their hydro unit and the 16 Transcript, and it deals with the cost 16 most cases. So we thought it would be 18 the GNP transmission line being assigned to 16 if they identified any major savings 19 enflications for the Industrial Customers of 10 if they identified any major savings 19 enflication for the Industrial Customers of 22 would have done. The other smaller factor is 23 it will be next week before we'll be able to 24 hydro plant, there are a lot more subsidiary 24 it will be next week before we'll be able to 25 121 of yesterday's transcript, starting on 2 A. The Hawke's Bay units were on maintenance, so 26 4 deals with the incident of September the 18 19 26 A	8	- · ·		•
11 the same level, RCM as we have at Holyrood. 11 this time, we are in a position to respond to 12 There are a couple of factors. One is that 13 Yesterday there were three undertakings 14 their hydro units, which although they are 14 requested by the Industrial Customers. The 15 bigger, it's still a hydro unit and the 16 transcript, and it deals with the cost 17 most cases. So we thought it would be 17 impropriate to wait and see how they did and 16 if they identified any major savings 10 centro, has do the 2004 data. It was in 20 initiatives that could be, and we would 10 centro, has do the 2004 data. It was in 21 basically capitalize on the work that they 21 been filed in the 2001 GRA. We are not in a position 22 would have done. The other smaller factor is 22 it will be next week before we'll be able to 23 that when you compare a Holyrood versus a 23 it will be next week before we'll be able to 24 asswert hat question, but we are in a position it week before we'll be able to 25 systems or subsystems in Holyrood versus a 24 it will be next week before we'll be able to	9	· · ·	9	(10:00 a.m.)
12 There are a couple of factors. One is that 12 undertakings that were given yesterday. 13 CPU/Co had proposed to evaluate our RCM for 14 Yesterday there were three undertakings 14 their hydro units, which although they are 14 Yesterday there were three undertakings 15 bigger, it's still a hydro unit and the 15 first undertaking is found on page 99 of the 16 various components are one and the same in 17 implications for the Industrial Customers. The 18 appropriate to wait and see how they did and 18 the GNP transmission line being assigned to 19 if they identified any major savings 19 common, based on the 2004 data. It was in 21 basically capitalize on the work that they 21 been filed in the 2001 GRA. We are not in a 22 would have done. The other smaller factor is 23 it will be next week before we'll be able to 24 hydro plant, there are a lot more subsidiary 24 answer that question, but we are in a position 25 true second undertaking is found on page 12 Q. What time did the GNP generation come on? 2 121 of yesterday's transcript, starting on 2 A. The Hawke's Bay units were on mainten	10		10	-
13 CR(L)Co had proposed to evaluate our RCM for 13 Yesterday there were three undertakings 14 their hydro units, which although they are 14 requested by the Industrial Customers. The 16 various components are one and the same in 16 transcript, and it deals with the cost 17 most cases. So we thought it would be 17 implications for the Industrial Customers of 18 appropriate to wait and see how they did and 18 the GNP transmission line being assigned to 20 initiatives that could be, and we would 20 common, based on the 2001 GRA. We are not in a 21 basically capitalize on the work that they 21 been filed in the 2001 GRA. We are not in a 22 would have done. The other smaller factor is 22 position to respond to theat today. I believe 23 that when you compare a Holyrood and there 25 is will be next week before we'll be able to 24 hydro plant, there are a lot more subsidiary 24 answer that question, but we are in a position 25 systems or subsystems in Holyrood and there 25 0. What time did the GNP generation come on? 2 121 of yesterday's transcript, starting on 2 A. The Hawke's Bay units were	11	•	11	
14 their hydro units, which although they are 14 requested by the Industrial Customers. The 15 bigger, it's still a hydro unit and the 15 first undertaking is found on page 99 of the 16 various components are one and the same in 16 first undertaking is found on page 99 of the 17 most cases. So we thought it would be 17 implications for the Industrial Customers of 18 appropriate to wait and see how they did and 18 implications for the Industrial Customers of 20 initiatives that could be, and we would 20 common, based on the 2004 data. It was in 21 basically capitalize on the work that they 21 position to respond to that today. I believe 23 that when you compare a Holyrood versus a 23 it will be next week before we'll be able to 24 hydro plant, there are a lot more subsidiary 24 position to respond to the other two. 25 rescond undertaking is found on page 27 A. The Hawke's Bay units were on maintenance, so 25 to yesterday's transcript, starting on 3 3 4 Q. What time did the ONP generation come on? 2 A. The Hawke's Bay units were on maintenance, so 4 10 What ime	12	-	12	
15 bigger, it's still a hydro unit and the various components are one and the same in most cases. So we though it would be appropriate to wait and see how they did and 19 15 first undertaking is found on page 99 of the transcript, and it deals with the cost implications for the Industrial Customers of the GNP transmission line being assigned to common, based on the 2004 data. It was in effect a request to update IC-180 that had been filed in the 2001 GRA. We are not in a position to respond to that today. I believe would have done. The other smaller factor is 22 23 that when you compare a Holyrood versus a that when you compare a Holyrood and there 23 23 it will be next week before we'll be able to answer that question, but we are in a position to respond to the other two. 24 hydro plant, there are a lot more subsidiary 25 24 answer that question, but we are in a position to respond to the other two. 25 respond to ide ide GNP generation come on? 121 of yesterday's transcript, starting on 2 (21 of yesterday's transcript, starting on 2 (21 of yesterday's transcript, starting on 2 (203, and Mr. Seviour asked us to provide a additional information with respect to the use 7 of the GNP generation to assist during that 7 space 131 hours on September 18th, 8 particular outage. First, Mr. Haynes, with 8 particular outage. First, Mr. Haynes, with 9 respect to that, when did the incident 9 (31 Q. So that's 9:31 p.m. in time? 14 A. Yes, 9:31 p.m. 15 Q. I can relate more to 9:31 than the 21. So at 16 or 3:1 is when we lost Bay d'Espoir? Is that 17 correct? 18 A. They can capacity was actually delivered to the grid? 19 A. St. Anthony remain on serving the grid? 14 A. Yes, 9:31 p.m. in time? 15 Q. And I believe you testified in response to the 19 s	13		13	•
16 various components are one and the same in 16 transcript, and it deals with the cost 17 most cases. So we thought it would be implications for the Industrial Customers of 18 appropriate to wait and see how they did and 18 19 if they identified any major savings 19 20 initiatives that could be, and we would 20 21 basically capitalize on the work that they 21 22 would have done. The other smaller factor is 22 23 that when you compare a Holyrood versus a 23 24 hydro plant, there are a lot more subsidiary 24 25 systems or subsystems in Holyrood and there 25 26 12 lof yesterday's transcript, starting on 2 27 The second undertaking is found on page 2 A. The Hawke's Bay units were on maintenance, so 28 page 121 and it goes over to page 123, and it 3 4 deals with the incident 7 3 page 121 and it goes over to page 123, and it 4 deals with the incident 7 Stad. Tm sory. 3 page 121 and it goes over to page 123, and it 4 deals (Amony Game on a 2156.<	14	their hydro units, which although they are	14	requested by the Industrial Customers. The
17most cases. So we thought it would be appropriate to wait and see how they did and if they identified any major savings17implications for the Industrial Customers of the CNP transmission line being assigned to common, based on the 2004 data. It was in a common, based on the 2004 data. It was in a effect a request to update IC-180 that had20initiatives that could be, and we would 2120effect a request to update IC-180 that had22would have done. The other smaller factor is 23 that when you compare a Holyrood versus a 2421been filed in the 2010 GRA. We are not in a position to respond to the other VM.23that when you compare a Holyrood and there 2522it will be next week before we'll be able to answer that question, but we are in a position to respond to the other two.24Page 47Page 477The second undertaking is found on page 121 of yesterday's transcript, starting on additional information with respect to the use of the GNP generation to assist during that respect to that, when did the incident 102A. The Hawke's Bay units were on maintenance, so they were not available. The St. Anthony disesle came on at 2156.13Q. So that's 9:31 p.m. 14A. Yes, 9:31 p.m. 15Q. I can relate more to 9:31 than the 21. So at 169Q. Now St. Anthony ream on at 9:56 p.m. How long dist. Anthony ream on at 9:56 p.m. How long tidst. Anthony ream on at 9:56 p.m. How long tidst	15		15	
18 appropriate to wait and see how they did and 18 the GNP transmission line being assigned to 19 if they identified any major savings 19 common, based on the 2004 data. It was in 20 initiatives that could be, and we would 20 effect a request to update IC-180 that had 21 basically capitalize on the work that they 21 been filed in the 2001 GRA. We are not in a 22 would have done. The other smaller factor is 22 position to respond to that today. I believe 23 that when you compare a Holyrood versus a 23 it will be next week before we'll be able to 24 hydro plant, there are a lot more subsidiary 24 answer that question, but we are in a position 25 systems or subsystems in Holyrood and there 25 0. What time did the GNP generation come on? 2 121 of yesterday's transcript, starting on 2 A. The Hawke's Bay units were on maintenance, so 3 they were not available. The St. Anthony diselse came on at 2156. 5 0. 9:56? 3 page 121 and it goes over to page 123, and it 4 diselse came on at 2156. 5 0. 9:56? 4 of the GNP generation to assist during that 7 sth	16		16	· · · · · · · · · · · · · · · · · · ·
19 if they identified any major savings 19 common, based on the 2004 data. It was in 20 initiatives that could be, and we would 20 effect a request to update IC-180 that had 21 basically capitalize on the work that they 21 been filed in the 2001 GRA. We are not in a 22 would have done. The other smaller factor is 22 it will be next week before we'll be able to 23 that when you compare a Holyrood versus a 23 it will be next week before we'll be able to 24 hydro plant, there are a lot more subsidiary 24 answer that question, but we are in a position 25 systems or subsystems in Holyrood and there 25 it will be next week before we'll be able to 26 121 of yesterday's transcript, starting on 26 A. The Hawke's Bay units were on maintenance, so 3 page 121 and it goes over to page 123, and it 3 they were not available. The St. Anthony 4 deals with the incident of September 18th, 5 Q. So for a't add and subtract here on the 5 2003, and Mr. Seviour asked us to provide 6 A. 9:56. I can't add and subtract here on the 6 of the GNP generation to assist during that 7 stand. I'm sorry.	17	6	17	-
20initiatives that could be, and we would basically capitalize on the work that they usically capitalize on the work that they would have done. The other smaller factor is 22 that when you compare a Holyrood versus a hydro plant, there are a lot more subsidiary 23 systems or subsystems in Holyrood and there Page 47 120effect a request to update IC-180 that had 21 position to respond to that today. I believe 23 it will be next week before we'll be able to answer that question, but we are in a position 24 	18	•••••	18	the GNP transmission line being assigned to
21basically capitalize on the work that they would have done. The other smaller factor is that when you compare a Holyrood versus a 24 hydro plant, there are a lot more subsidiary 25 systems or subsystems in Holyrood and ther21been filed in the 2001 GRA. We are not in a position to respond to that today. I believe answer that question, but we are in a position to respond to the other two.Page 47 1Page 47 The second undertaking is found on page 2 1 21 of yesterday's transcript, starting on page 121 and it goes over to page 123, and it 4 deals with the incident of September 18th, 5 2003, and Mr. Seviour asked us to provide 6 additional information with respect to the use 7 of the GNP generation to assist during that 7 espect to that, when did the incident 9 respect to that, when did the 21. So at 13 Q. So that's 9:31 p.m. in time? 14 A. Yes, 9:31 p.m. 15 Q. I can relate more to 9:31 than the 21. So at 16 9 silt when we lost Bay d'Espoir? Is that 17 correct?18 A. Yes, that's when the event started. There was 19 energy that was on for two hours and 43 19 energy that was actually delivered during that 19 energy that was actually delivered during that 10 Q. And I believe you testified in response to the 20 Q	19		19	
 would have done. The other smaller factor is that when you compare a Holyrood versus a hydro plant, there are a lot more subsidiary systems or subsystems in Holyrood and there page 47 The second undertaking is found on page 121 of yesterday's transcript, starting on apge 121 and it goes over to page 123, and it deals with the incident of September 18th, 5 2003, and Mr. Seviour asked us to provide additional information with respect to the use 7 of the GNP generation to assist during that 7 stand, I'm sorry. page 121 and it goes over to page 123, and it 4 deals with the incident of September 18th, 5 2003, and Mr. Seviour asked us to provide additional information with respect to the use 7 of the GNP generation to assist during that 7 stand, I'm sorry. particular outage. First, Mr. Haynes, with 9 respect to that, when did the incident commence? 10 A. It initiated at 2131 hours on September the 11 they were activated. 12 Q. So that's 9:31 p.m. in time? A. Yes, that's when the event started. There was 19 several, you know, things happened but that's 19 energy that was actually delivered to the grid? 13 A. Yes, that's when the event started. There was 19 several, you know, things happened but that's 19 energy that was actually delivered to the grid? 14 A. Yes, that's when the event started. There was 19 several, you know, things happened but that's 19 energy that was actually delivered to the grid? 14 A. Yes, that's when the event started. There was 14 the initiating event. 15 Q. And I believe you testified in response to the approximately and the coddickton unit, how long would the incident to provide service to the 21 Q. What about the Roddickton unit, how long would the incident to provide service to the 23 A. Roddickton was initiated, as I said, at-well, 24 the correct? 16 A. Yes, it was. 17 Correct? 18 A. Yes, it was. 19 Correct? 10 A. The peak capacity was ini	20	initiatives that could be, and we would	20	
23that when you compare a Holyrood versus a hydro plant, there are a lot more subsidiary systems or subsystems in Holyrood and there23it will be next week before we'll be able to answer that question, but we are in a position to respond to the other two.24Page 47Page 471The second undertaking is found on page 2121 of yesterday's transcript, starting on page 121 and it goes over to page 123, and it deals with the incident of September 18th, 52003, and Mr. Seviour asked us to provide 60. What time did the GNP generation come on?2A. The Hawke's Bay units were on maintenance, so they were not available. The St. Anthony disels came on at 2156.33page 121 and it goes over to page 123, and it deals with the incident of September 18th, 520.9:56?4additional information with respect to the use of the GNP generation to assist during that respect to that, when did the incident 1050.9:56.11A. It initiated at 2131 hours on September the 1218th.120. Now St. Anthony came on at 9:56 p.m. How long did St. Anthony remain on serving the grid?13Q. So that's 9:31 p.m. in time?13did St. Anthony remain on serving the grid?14A. Yes, y:31 p.m.14A. St. Anthony was on for two hours and 4317correct?18A. The peak capacity was 6.25 megawatts and the energy that was actually delivered during that time was 15,375 kilowatt hours, I'm sory.15Q. And I believe you testified in response to the questions that GNP generation was run during 231424Interconnected grid. Is tha	21	basically capitalize on the work that they	21	been filed in the 2001 GRA. We are not in a
24 hydro plant, there are a lot more subsidiary 24 answer that question, but we are in a position 25 systems or subsystems in Holyrood and there 25 answer that question, but we are in a position 26 The second undertaking is found on page 21 1 Page 47 1 The second undertaking is found on page 2 A. The Hawke's Bay units were on maintenance, so 3 page 121 and it goes over to page 123, and it 4 deals with the incident of September 18th, 5 2003, and Mr. Seviour asked us to provide 6 A. 9:56. I can't add and subtract here on the 7 of the GNP generation to assist during that 7 stand, I'm sory. 8 Q. And the Roddickton units, Mr. Haynes, when did 9 respect to that, when did the incident 9 they were activated. 11 A. It initiated at 2131 hours on September the 11 A. They came on approximately 30 minutes later, 11 A. Pis, 9:31 p.m. in time? 13 di St. Anthony remain on serving the grid? 14 A. Yes, 9:31 p.m. in time? 14 A. St. Anthony remain on serving the grid? 15 Q. I can relate more to 9:31 than the 21. So at 9:31 is when we lost Bay d'Espoir? Is that 16	22	would have done. The other smaller factor is	22	position to respond to that today. I believe
25 systems or subsystems in Holyrood and there 25 to respond to the other two. Page 47 Page 47 1 The second undertaking is found on page 1 Q. What time did the GNP generation come on? 2 121 of yesterday's transcript, starting on 3 page 121 and it goes over to page 123, and it 4 deals with the incident of September 18th, 3 they were not available. The St. Anthony 4 deals with the incident of September 18th, 2003, and Mr. Seviour asked us to provide 6 A. 9:56. I can't add and subtract here on the 7 of the GNP generation to assist during that 7 stand, I'm sorry. 8 8 particular outage. First, Mr. Haynes, with 9 Q. Nod the Roddickton units, Mr. Haynes, when did 9 respect to that, when did the incident 0 A. They came on approximately 30 minutes later, 11 A. It initiated at 2131 hours on September the 11 they core on? 10 13 Q. So that's 9:31 p.m. 11 4. St. Anthony remain on serving the grid? 14 A. Yes, 9:31 p.m. 14 A. St. Anthony remain on serving the grid? 15 Q. I can relate more to 9:31 than the 21. So at 9.31 i	23	that when you compare a Holyrood versus a	23	it will be next week before we'll be able to
Page 47Page 481The second undertaking is found on page1Q. What time did the GNP generation come on?2121 of yesterday's transcript, starting on2A. The Hawke's Bay units were on maintenance, so3page 121 and it goes over to page 123, and it3they were not available. The St. Anthony4deals with the incident of September 18th,52003, and Mr. Seviour asked us to provide56additional information with respect to the use7stand, I'm sorry.8particular outage. First, Mr. Haynes, with8Q. And the Roddickton units, Mr. Haynes, when did9respect to that, when did the incident9they come on?10commence?10A. They came on approximately 30 minutes later,11A. It initiated at 2131 hours on September the12Q. Now St. Anthony came on at 9:56 p.m. How long13Q. So that's 9:31 p.m.13Q. So st. Anthony came on at 9:56 p.m. How long14A. Yes, 9:31 p.m.14A. St. Anthony was on for two hours and 4315Q. I can relate more to 9:31 than the 21. So at15169:31 is when we lost Bay d'Espoir?18A. The peak capacity was 6.25 megawatts and the19several, you know, things happened but that's18A. The peak capacity delivered during that20the initiating event.20What about the Roddickton unit, how long would21Q. And I believe you testified in response to the2122questions that GNP generation was run	24	hydro plant, there are a lot more subsidiary	24	
1The second undertaking is found on page2121 of yesterday's transcript, starting on3page 121 and it goes over to page 123, and it4deals with the incident of September 18th,52003, and Mr. Seviour asked us to provide6additional information with respect to the use7of the GNP generation to assist during that8particular outage. First, Mr. Haynes, with9respect to that, when did the incident10commence?11A. It initiated at 2131 hours on September the1218th.13Q. So that's 9:31 p.m.14A. Yes, 9:31 p.m.15Q. I can relate more to 9:31 than the 21. So at169:31 is when we lost Bay d'Espoir? Is that17correct?18A. Yes, that's when the event started. There was19several, you know, things happened but that's10Q. And I believe you testified in response to the12Q. And I believe you testified in response to the13Q. And I believe you testified in response to the14Interconnected grid. Is that correct?15A. Yes, it was.16Q. And I believe you testified in response to the17A. Yes, it was.18A. Yes, it was.25A. Yes, it was.26A. Yes, it was.27A. Yes, it was.28A. Yes, it was.29A. Yes, it was.20A. Yes, it was.20Stath correct?21 </td <td>25</td> <td>systems or subsystems in Holyrood and there</td> <td>25</td> <td>to respond to the other two.</td>	25	systems or subsystems in Holyrood and there	25	to respond to the other two.
2121 of yesterday's transcript, starting on page 121 and it goes over to page 123, and it deals with the incident of September 18th, 2003, and Mr. Seviour asked us to provide additional information with respect to the use of the GNP generation to assist during that particular outage. First, Mr. Haynes, with particular outage. First, Mr. Haynes, with respect to that, when did the incident commence?2A. The Hawke's Bay units were on maintenance, so they were not available. The St. Anthony diesels came on at 2156.32003, and Mr. Seviour asked us to provide additional information with respect to the use of the GNP generation to assist during that to commence?5Q. 9:56?11A. It initiated at 2131 hours on September the 18th.9Q. And the Roddickton units, Mr. Haynes, when did they come on?12Q. So that's 9:31 p.m. orrect?10A. They came on approximately 30 minutes later, they were activated.12Q. So that's 9:31 p.m. orrect?114St. Anthony remain on serving the grid?13A. Yes, that's when the event started. There was several, you know, things happened but that's the initiating event.14A. Ste, Anthony was on for two hours and 43 minutes.14A. Yes, that's when the event started. There was several, you know, things happened but that's ut the inticident to provide service to the questions that GNP generation was run during that incident to provide service to the that inc		Page 47		Page 48
3page 121 and it goes over to page 123, and it deals with the incident of September 18th, 2003, and Mr. Seviour asked us to provide additional information with respect to the use of the GNP generation to assist during that3they were not available. The St. Anthony diesels came on at 2156.7of the GNP generation to assist during that a particular outage. First, Mr. Haynes, with respect to that, when did the incident commence?5Q. 9:56?11A. It initiated at 2131 hours on September the 18th.8Q. And the Roddickton units, Mr. Haynes, when did they come on?12Q. So that's 9:31 p.m.10A. Yes, 9:31 p.m.13Q. So that's 9:31 p.m.11A. St. Anthony remain on serving the grid?14A. Yes, 9:31 is when we lost Bay d'Espoir?151115Q. I can relate more to 9:31 than the 21. So at several, you know, things happened but that's the initiating event.18A. The peak capacity was 6.25 megawatts and the energy that was actually delivered during that the initiating event.21Q. And I believe you testified in response to the questions that GNP generation was run during 2314A. Roddickton unit have gone?25A. Yes, it was.25Q. Around 10:30 p.m.?	1	The second undertaking is found on page	1	Q. What time did the GNP generation come on?
4deals with the incident of September 18th, 2003, and Mr. Seviour asked us to provide additional information with respect to the use of the GNP generation to assist during that particular outage. First, Mr. Haynes, with 94diesels came on at 2156.7of the GNP generation to assist during that 97stand, I'm sorry.8particular outage. First, Mr. Haynes, with 98Q. And the Roddickton units, Mr. Haynes, when did 99respect to that, when did the incident 109they come on?11A. It initiated at 2131 hours on September the 1111A. They came on approximately 30 minutes later, 1113Q. So that's 9:31 p.m.11A. St. Anthony came on at 9:56 p.m. How long did St. Anthony came on at 9:56 p.m. How long did St. Anthony came on at 9:56 p.m. How long did St. Anthony remain on serving the grid?14A. Yes, 9:31 p.m.14A. St. Anthony remain on serving the grid?15Q. I can relate more to 9:31 than the 21. So at 1616Q. And during the time that it was on, what was 17169:31 is when we lost Bay d'Espoir? Is that 2016Q. And J believe you testified in response to the 2116Q. And I believe you testified in response to the 2218A. The peak capacity was 6.25 megawatts and the energy that was actually delivered during that 2121Q. And I believe you testified in response to the 2320Wat about the Roddickton unit, how long would the Roddickton unit have gone?22A. Yes, it was.25Q. Around 10:30 p.m.?	2	121 of yesterday's transcript, starting on	2	A. The Hawke's Bay units were on maintenance, so
52003, and Mr. Seviour asked us to provide additional information with respect to the use of the GNP generation to assist during that particular outage. First, Mr. Haynes, with 95Q. 9:56?8particular outage. First, Mr. Haynes, with 97stand, I'm sorry.9respect to that, when did the incident 107stand, I'm sorry.10commence?10A. They came on approximately 30 minutes later, 1111A. It initiated at 2131 hours on September the 1210A. They came on approximately 30 minutes later, 111218th.12Q. Now St. Anthony came on at 9:56 p.m. How long did St. Anthony remain on serving the grid?13A. Yes, 9:31 p.m.14A. St. Anthony was on for two hours and 4315Q. I can relate more to 9:31 than the 21. So at 1015minutes.169:31 is when we lost Bay d'Espoir? Is that 1716Q. And during the time that it was on, what was 1617the capacity delivered to the grid?18A. The peak capacity was 6.25 megawatts and the energy that was actually delivered during that time was 15,375 kilowatt hours, I'm sorry.14A. Yes, it was.25Q. Around 10:30 p.m.?	3	page 121 and it goes over to page 123, and it	3	they were not available. The St. Anthony
6additional information with respect to the use of the GNP generation to assist during that particular outage. First, Mr. Haynes, with 96A. 9:56. I can't add and subtract here on the stand, I'm sorry.8particular outage. First, Mr. Haynes, with 97Stand, I'm sorry.9respect to that, when did the incident 109they come on?10commence?10A. They came on approximately 30 minutes later, 1111A. It initiated at 2131 hours on September the 1218th.12Q. Now St. Anthony came on at 9:56 p.m. How long 1313Q. So that's 9:31 p.m.13did St. Anthony remain on serving the grid?14A. Yes, 9:31 p.m.14A. St. Anthony was on for two hours and 4315Q. I can relate more to 9:31 than the 21. So at 9:31 is when we lost Bay d'Espoir? Is that 1716Q. And during the time that it was on, what was 1617the capacity delivered to the grid?18A. The peak capacity was 6.25 megawatts and the energy that was actually delivered during that time was 15,375 kilowatt hours, I'm sorry.11Q. And I believe you testified in response to the questions that GNP generation was run during 2314A. Roddickton was initiated, as I said, atwell, 2424Interconnected grid. Is that correct?23A. Roddickton was initiated, as I said, atwell, 2425A. Yes, it was.25Q. Around 10:30 p.m.?	4	deals with the incident of September 18th,	4	diesels came on at 2156.
7of the GNP generation to assist during that particular outage. First, Mr. Haynes, with respect to that, when did the incident commence?7stand, I'm sorry.10commence?10A. They came on approximately 30 minutes later, they come on?11A. It initiated at 2131 hours on September the 1218th.12Q. Now St. Anthony came on at 9:56 p.m. How long did St. Anthony remain on serving the grid?14A. Yes, 9:31 p.m.13did St. Anthony remain on serving the grid?14A. Yes, 9:31 p.m.14A. St. Anthony was on for two hours and 4315Q. I can relate more to 9:31 than the 21. So at 9:31 is when we lost Bay d'Espoir? Is that correct?16Q. And during the time that it was on, what was17correct?17the capacity delivered to the grid?18A. Yes, that's when the event started. There was 1918A. The peak capacity was 6.25 megawatts and the energy that was actually delivered during that time was 15,375 kilowatt hours, I'm sorry.21Q. And I believe you testified in response to the 2222the Roddickton unit, how long would the kincident to provide service to the 2323that incident to provide service to the 2423A. Roddickton was initiated, as I said, atwell, 2424Interconnected grid. Is that correct? 2525Q. Around 10:30 p.m.?	5	2003, and Mr. Seviour asked us to provide	5	Q. 9:56?
8particular outage. First, Mr. Haynes, with 98Q. And the Roddickton units, Mr. Haynes, when did 99respect to that, when did the incident 10commence?10A. They came on approximately 30 minutes later, 1111A. It initiated at 2131 hours on September the 1218th.12Q. Now St. Anthony came on at 9:56 p.m. How long did St. Anthony remain on serving the grid?14A. Yes, 9:31 p.m.14A. St. Anthony remain on serving the grid?14A. Yes, 9:31 p.m.14A. St. Anthony was on for two hours and 4315Q. I can relate more to 9:31 than the 21. So at 9:31 is when we lost Bay d'Espoir? Is that 1716Q. And during the time that it was on, what was17correct?17the capacity delivered to the grid?18A. Yes, that's when the event started. There was 1918A. The peak capacity was 6.25 megawatts and the energy that was actually delivered during that 2021Q. And I believe you testified in response to the 2221Q. What about the Roddickton unit; how long would 2223that incident to provide service to the 2323A. Roddickton was initiated, as I said, atwell, 2424Interconnected grid. Is that correct?24at - 2525Q. Around 10:30 p.m.?	6	·	6	A. 9:56. I can't add and subtract here on the
9respect to that, when did the incident commence?9they come on?10commence?10A. They came on approximately 30 minutes later,11A. It initiated at 2131 hours on September the 1210A. They came on approximately 30 minutes later,1218th.12Q. Now St. Anthony came on at 9:56 p.m. How long13Q. So that's 9:31 p.m. in time?13did St. Anthony remain on serving the grid?14A. Yes, 9:31 p.m.14A. St. Anthony was on for two hours and 4315Q. I can relate more to 9:31 than the 21. So at15minutes.169:31 is when we lost Bay d'Espoir? Is that16Q. And during the time that it was on, what was17correct?17the capacity delivered to the grid?18A. Yes, that's when the event started. There was19energy that was actually delivered during that20the initiating event.20time was 15,375 kilowatt hours, I'm sorry.21Q. And I believe you testified in response to the21Q. What about the Roddickton unit; how long would22questions that GNP generation was run during22the Roddickton unit have gone?23that incident to provide service to the23A. Roddickton was initiated, as I said, atwell,24Interconnected grid. Is that correct?24at -25A. Yes, it was.25Q. Around 10:30 p.m.?	7	6	7	stand, I'm sorry.
10commence?10A. They came on approximately 30 minutes later,11A. It initiated at 2131 hours on September the11they were activated.1218th.12Q. Now St. Anthony came on at 9:56 p.m. How long13Q. So that's 9:31 p.m.13did St. Anthony remain on serving the grid?14A. Yes, 9:31 p.m.14A. St. Anthony was on for two hours and 4315Q. I can relate more to 9:31 than the 21. So at15minutes.169:31 is when we lost Bay d'Espoir? Is that16Q. And during the time that it was on, what was17correct?18A. Yes, that's when the event started. There was19several, you know, things happened but that's19energy that was actually delivered during that20the initiating event.20time was 15,375 kilowatt hours, I'm sorry.21Q. And I believe you testified in response to the21Q. What about the Roddickton unit; how long would22questions that GNP generation was run during22the Roddickton unit have gone?23that incident to provide service to the23A. Roddickton was initiated, as I said, atwell,24Interconnected grid. Is that correct?24at -25Q. Around 10:30 p.m.?24at -	8		8	Q. And the Roddickton units, Mr. Haynes, when did
11A. It initiated at 2131 hours on September the11they were activated.1218th.12Q. Now St. Anthony came on at 9:56 p.m. How long13Q. So that's 9:31 p.m. in time?13did St. Anthony remain on serving the grid?14A. Yes, 9:31 p.m.14A. St. Anthony was on for two hours and 4315Q. I can relate more to 9:31 than the 21. So at15minutes.169:31 is when we lost Bay d'Espoir? Is that16Q. And during the time that it was on, what was17correct?17the capacity delivered to the grid?18A. Yes, that's when the event started. There was18A. The peak capacity was 6.25 megawatts and the19several, you know, things happened but that's19energy that was actually delivered during that20time was 15,375 kilowatt hours, I'm sorry.21Q. What about the Roddickton unit; how long would21Q. And I believe you testified in response to the23A. Roddickton was initiated, as I said, atwell,23that incident to provide service to the24at -24Interconnected grid. Is that correct?24at -25A. Yes, it was.25Q. Around 10:30 p.m.?	9	respect to that, when did the incident	9	they come on?
1218th.12Q. Now St. Anthony came on at 9:56 p.m. How long13Q. So that's 9:31 p.m. in time?13did St. Anthony remain on serving the grid?14A. Yes, 9:31 p.m.14A. St. Anthony was on for two hours and 4315Q. I can relate more to 9:31 than the 21. So at15minutes.169:31 is when we lost Bay d'Espoir? Is that16Q. And during the time that it was on, what was17correct?17the capacity delivered to the grid?18A. Yes, that's when the event started. There was18A. The peak capacity was 6.25 megawatts and the19several, you know, things happened but that's19energy that was actually delivered during that20the initiating event.20time was 15,375 kilowatt hours, I'm sorry.21Q. And I believe you testified in response to the21Q. What about the Roddickton unit; how long would23that incident to provide service to the23A. Roddickton was initiated, as I said, atwell,24Interconnected grid. Is that correct?24at -25Q. Around 10:30 p.m.?	10	commence?	10	A. They came on approximately 30 minutes later,
13Q. So that's 9:31 p.m. in time?13did St. Anthony remain on serving the grid?14A. Yes, 9:31 p.m.14A. St. Anthony was on for two hours and 4315Q. I can relate more to 9:31 than the 21. So at15minutes.169:31 is when we lost Bay d'Espoir? Is that16Q. And during the time that it was on, what was17correct?16Q. And during the time that it was on, what was18A. Yes, that's when the event started. There was18A. The peak capacity was 6.25 megawatts and the19several, you know, things happened but that's19energy that was actually delivered during that20the initiating event.20time was 15,375 kilowatt hours, I'm sorry.21Q. And I believe you testified in response to the21Q. What about the Roddickton unit; how long would22questions that GNP generation was run during22the Roddickton was initiated, as I said, atwell,23that incident to provide service to the23A. Roddickton was initiated, as I said, atwell,24Interconnected grid. Is that correct?24at -25A. Yes, it was.25Q. Around 10:30 p.m.?	11	-	11	•
14A. Yes, 9:31 p.m.14A. St. Anthony was on for two hours and 4315Q. I can relate more to 9:31 than the 21. So at15minutes.169:31 is when we lost Bay d'Espoir? Is that16Q. And during the time that it was on, what was17correct?17the capacity delivered to the grid?18A. Yes, that's when the event started. There was18A. The peak capacity was 6.25 megawatts and the19several, you know, things happened but that's19energy that was actually delivered during that20the initiating event.20time was 15,375 kilowatt hours, I'm sorry.21Q. And I believe you testified in response to the21Q. What about the Roddickton unit; how long would22questions that GNP generation was run during22the Roddickton was initiated, as I said, atwell,23that incident to provide service to the23A. Roddickton was initiated, as I said, atwell,24Interconnected grid. Is that correct?24at -25A. Yes, it was.25Q. Around 10:30 p.m.?	12		12	
15Q. I can relate more to 9:31 than the 21. So at15minutes.169:31 is when we lost Bay d'Espoir? Is that16Q. And during the time that it was on, what was17correct?16Q. And during the time that it was on, what was18A. Yes, that's when the event started. There was17the capacity delivered to the grid?18A. Yes, that's when the event started. There was18A. The peak capacity was 6.25 megawatts and the19several, you know, things happened but that's19energy that was actually delivered during that20the initiating event.20time was 15,375 kilowatt hours, I'm sorry.21Q. And I believe you testified in response to the21Q. What about the Roddickton unit; how long would22questions that GNP generation was run during22the Roddickton unit have gone?23that incident to provide service to the23A. Roddickton was initiated, as I said, atwell,24Interconnected grid. Is that correct?24at -25A. Yes, it was.25Q. Around 10:30 p.m.?	13	· · · · · · · · · · · · · · · · · · ·	13	
169:31 is when we lost Bay d'Espoir? Is that correct?16Q. And during the time that it was on, what was the capacity delivered to the grid?18A. Yes, that's when the event started. There was several, you know, things happened but that's the initiating event.16Q. And during the time that it was on, what was the capacity delivered to the grid?20the initiating event.18A. The peak capacity was 6.25 megawatts and the energy that was actually delivered during that21Q. And I believe you testified in response to the questions that GNP generation was run during that incident to provide service to the Interconnected grid. Is that correct?21Q. What about the Roddickton unit; how long would the Roddickton was initiated, as I said, atwell, at -25A. Yes, it was.25Q. Around 10:30 p.m.?	1	•	14	•
17correct?17the capacity delivered to the grid?18A. Yes, that's when the event started. There was18A. The peak capacity was 6.25 megawatts and the19several, you know, things happened but that's18A. The peak capacity was 6.25 megawatts and the20the initiating event.19energy that was actually delivered during that21Q. And I believe you testified in response to the20time was 15,375 kilowatt hours, I'm sorry.22questions that GNP generation was run during22the Roddickton unit; how long would23that incident to provide service to the23A. Roddickton was initiated, as I said, atwell,24Interconnected grid. Is that correct?24at -25A. Yes, it was.25Q. Around 10:30 p.m.?	15		15	
18A. Yes, that's when the event started. There was several, you know, things happened but that's the initiating event.18A. The peak capacity was 6.25 megawatts and the energy that was actually delivered during that time was 15,375 kilowatt hours, I'm sorry.21Q. And I believe you testified in response to the questions that GNP generation was run during that incident to provide service to the Interconnected grid. Is that correct?18A. The peak capacity was 6.25 megawatts and the energy that was actually delivered during that time was 15,375 kilowatt hours, I'm sorry.21Q. And I believe you testified in response to the questions that GNP generation was run during that incident to provide service to the Interconnected grid. Is that correct?21Q. What about the Roddickton unit; how long would the Roddickton was initiated, as I said, atwell, at -25A. Yes, it was.25Q. Around 10:30 p.m.?	16		16	-
19several, you know, things happened but that's19energy that was actually delivered during that20the initiating event.20time was 15,375 kilowatt hours, I'm sorry.21Q. And I believe you testified in response to the questions that GNP generation was run during21Q. What about the Roddickton unit; how long would23that incident to provide service to the 2423A. Roddickton was initiated, as I said, atwell,24Interconnected grid. Is that correct?24at -25A. Yes, it was.25Q. Around 10:30 p.m.?				
20the initiating event.20time was 15,375 kilowatt hours, I'm sorry.21Q. And I believe you testified in response to the questions that GNP generation was run during 2321Q. What about the Roddickton unit; how long would the Roddickton unit have gone?23that incident to provide service to the 2423A. Roddickton was initiated, as I said, atwell, at -24Interconnected grid. Is that correct?24at -25A. Yes, it was.25Q. Around 10:30 p.m.?				
21Q. And I believe you testified in response to the questions that GNP generation was run during that incident to provide service to the Interconnected grid. Is that correct?21Q. What about the Roddickton unit; how long would the Roddickton unit have gone?23that incident to provide service to the Interconnected grid. Is that correct?23A. Roddickton was initiated, as I said, atwell, 2425A. Yes, it was.25Q. Around 10:30 p.m.?				
22questions that GNP generation was run during22the Roddickton unit have gone?23that incident to provide service to the23A. Roddickton was initiated, as I said, atwell,24Interconnected grid. Is that correct?24at -25A. Yes, it was.25Q. Around 10:30 p.m.?	1			
23that incident to provide service to the23A. Roddickton was initiated, as I said, atwell,24Interconnected grid. Is that correct?24at -25A. Yes, it was.25Q. Around 10:30 p.m.?	21	· *		-
24Interconnected grid. Is that correct?24at -25A. Yes, it was.25Q. Around 10:30 p.m.?			122	the Roddickton unit have gone?
25 A. Yes, it was. 25 Q. Around 10:30 p.m.?	22			-
	22 23	that incident to provide service to the	23	A. Roddickton was initiated, as I said, atwell,
	22 23 24	that incident to provide service to the Interconnected grid. Is that correct?	23 24	A. Roddickton was initiated, as I said, atwell, at -

Discoveries Unlimited Inc., Ph: (709)437-5028

Multi-PageTMNL Hydro's 2003 General Rate Application

October 24, 2005	Multi-1 age	nL Hyuro 8 2005 General Kate Application
	Page 49	Page 50
1 MR. HAYNES:	1	line.
2 A a little later, around 10:30, and it was on	2	Q. So the NP thermal generation wasn't actually
3 for an hour and 40 minutes. The peak capacity	3	required at the end of the day?
4 was 1.7 megawatts and the energy was	4	A. No, when they were ready to actually put it
5 approximately 2500 kilowatt hours.	5	on, we did not need it any more, so it was
6 Q. In your discussions with both Mr. Kelly, I	6	dropped.
7 believe it was, and with Mr. Seviour, you	7	Q. The last undertaking from yesterday is found
8 indicated that all available generation was	8	on page 123 of yesterday's transcript and it
9 put in service in order to respond to that	9	was a request to updateyou can see it there,
10 outage. Is that correct?	10	at the bottom, starting at the bottom of page
11 A. Yes. Within 15 or 30 minutes, the gas	11	123 where Mr. Seviour referred to IC-235 and
12 turbines at Stephenville and Hardwoods, along	12	asked Hydro to update the response to IC-235,
13 with the St. Anthony, were on line. As well,	12	and I wonder, Mr. O'Reilly, could you bring
14 contact had been made with Newfoundland Pow		that up on the screen, please?
15 to put on all available hydro generation and	15	The question in IC-235 was to indicate
		the times that the GNP generation, Hawke's Bay
to start the process of starting the GreenHill gas turbine, and you know, and after that	16	and St. Anthony operated to support local
	17	
18 30-minute period, shortly after that, the	18	load. The answer to the question states that
19 Holyrood gas turbine was engaged and the	19	it was for 112 times since 1996. That 112
20 Roddickton diesels are as well on. The	20	times, was that to the end of 2002, Mr.
21 Newfoundland Power Green Hill gas turbine,		Haynes?
22 they had some difficulties getting it started		A. Yes, that's correct.
and when those issues were resolved, we were		Q. And in 2003, how many times have the Hawke's
24 pretty well on the road to having the other	24	Bay and St. Anthony diesel units been
25 major generation issues addressed and back on	25	operated?
	Page 51	Page 52
1 A. To date, those units have been operated o	on 1	Q. Crayola comes in all colours these days.
2 seven occasions. Two were for system sup	port 2	We'll move now, I guess, to questions from the
3 and the other five were for local events.	3	Board. Commissioner Saunders, please.
4 Q. Thank you, Mr. Haynes. Thank you. T	hat 4 CO	MMISSIONER SAUNDERS:
5 completes both the redirect and the response		Q. Thank you, Mr. Chair. Just to carry on with
6 to the undertakings.	6	that last item that Ms. Greene raised in
7 CHAIRMAN:	7	redirect, Mr. Haynes. What was the
8 Q. Thank you, Ms. Greene. Thank you for	the 8	alternative? Or put it another way, why did
9 clarification on the time. I had to rely on	9	you choose the alternative of the engagement
10 my colleague here yesterday when you refe	erred 10	of the GNP generation on that September 18th
11 to that graph as magenta. She clarified for		incident?
12 me that it was a pinkish colour. So I know		A. Well, we had lost awe had interrupted, from
13 the time.	12	Bay d'Espoir plant, a significant amount of
14 GREENE, Q.C.:	13	generation and basically, if we had not
15 Q. Mr. Chair, I was calling it pink and it was		engaged whatever we could, we would have had
16 the engineers in system operations -	15	other customers out of service for a longer
17 CHAIRMAN:		period of time.
	17	Q. So why was the GNP generation chosen first?
5		A. The Hardwoods and the Stephenville gas
19 GREENE, Q.C.:20 Q who corrected me that it was magenta.	19	
20 O who corrected me that it was magenta.	20	
-	20	turbines were initiated, and contact with Newfoundland Power and then the St. Anthony
21 CHAIRMAN:	21	Newfoundland Power, and then the St. Anthony
21 CHAIRMAN: 22 Q. I see.	21 22	Newfoundland Power, and then the St. Anthony diesels came on. So the action had already
21 CHAIRMAN:22 Q. I see.23 GREENE, Q.C.:	21 22 23	Newfoundland Power, and then the St. Anthony diesels came on. So the action had already started with Newfoundland Power.
21 CHAIRMAN: 22 Q. I see.	21 22 23 24	Newfoundland Power, and then the St. Anthony diesels came on. So the action had already

Octo	ober 24, 2003 Mult	i-Pa	ge TM NL Hydro's 2003 General Rate Application
	Page 53		Page 54
1 N	IR. HAYNES:	1	from your comments, that it's of a lot of
2	the Hardwoods and Stephenville gas turbines,	2	benefit to the generation side of the
3	which are the biggest machines, at 54	3	business. It's more applicable, I think you
4	megawatts each, and then we basically went to	4	said, or better adapted to the TRO side?
5	the St. Anthony diesel plant, which is also	5	A. I think there may be significant gains in both
6	six plus megawatts, and the Holyrood gas	6	areas. I guess what I tried to imply this
7	turbine requires the control room operator or	7	morning in redirect is that we are proceeding
8	an operator in the control room or an operator	8	with caution. We are reviewing. We do have
9	at the plant to actually go out and start	9	it in place for the gas turbine at Holyrood.
10	that. So there's a bit of a time delay to get	10	We have been looking at RCM at Holyrood for
11	that machine on.	11	some period of time and we have some, I won't
12	Q. So then at the time that the GNP generation	12	say uncomfort, we just have some reservations
13	was engaged, was there any other alternative?	13	about doing it on all systems. So we have
14	A. No, basically the Bay d'Espoir plant was	14	engaged a consultant, an experienced
15	unavailable. Any other hydro generation at	15	consultant, to review our RCM initiatives that
16	Hind's or Cat Arm, if the machines were not on	16	we might undertake on certain systems at
17	maintenance, because it's a bit of a heavy	17	Holyrood. And depending on that review and
18	maintenance period, so they weren't all	18	the feedback, then we would actually look at
19	available. I don't recall specifically which	19	engaging that and on the hydraulic side, you
20	machines were unavailable, but whatever was	20	know, you have one turbine and one generator,
21	available was dispatched.	21	obviously there's still opportunities for RCM,
22	Q. Just a couple of questions relating to matters	22	I'm quite sure, but the traditional
23	that were raised, I think yesterday, if I can	23	understanding of RCM is that basically you can
24	find it here. One is with respect to the RCM	24	get 80 percent of your benefit by doing 20
25	program or process. You aren't sold, I gather	25	percent of the work and we were not prepared
	Page 55		Page 56
1	we don't think it would be appropriate to	1	there will be impacts with business process
2	study each and every system and I'm sure	2	review, particularly with the initiatives that
3	nobody does. So we want to focus those	3	are on the go right now, with you know, asset
4	activities and I think by waiting until we get	4	management, work management and
5	some results from CF(L)Co or see what, you	5	prioritization, those issues. And the people
6	know, the dialogue with their operating	6	from the field are engaged in that. It's not
7	people, that if they come back and they	7	aI think one of the pluses in the approach
8	identify quite a bit of a potential, that will	8	is it's not a head office driven, in a sense.
9	actually, you know, engage us, if you will, on	9	It's obviously there's a lot of head office
10	the hydro side. But we are progressing in	10	driving in it, but there are labour managers
11	Holyrood. We are reviewing it, and if the	11	and asset managers from the field involved who
12	savings are there, we will initiate that RCM	12	are on the ground floor of looking at these
13	program, you know, to accept that tactic for	13	things and would go back and be champions, if
14	certain systems.	14	you will, of some of these changes. But they
15	Q. Okay. Earlier on, when Mr. Wells was on the	15	will, over time, impact and we have indicated,
16	stand, I think we touched on it as well with	16	I guess, in our filing that we have included
17	Mr. Roberts, there is a fair bit of discussion	17	another, an additional one and a half million
18	about the business improvement process that	18	dollars in thewe've put it in our vacancy
19	Hydro has recently adopted. Is there anything	19	reduction account, if you will, as a place to
20	you want to indicate to the Board as to how	20	put it, that will be anticipated savings
21	that process is going to impact on your	21	overall of that and other things that we are
22	department?	22	doing. So we feel that we have actually
23	A. It will definitely have impacts.	23	covered that off in the 2004 test year revenue
24	Q. In what areas, for instance?	24	requirements.
25	A. In hydro generation and in thermal generation,	25	Q. Okay. Just one other question in the area of

Multi-PageTMNL Hydro's 2003 General Rate Application

October 22	1, 2003 Mui	u-ra	age NL Hydro's 2003 General Kate Application
	Page 5'	7	Page 58
	SIONER SAUNDERS:	1	
2 a su	ubject that's a favourite of mine, and	2	not important in terms of who raised it. You
3 that	t's full-time equivalents.	3	indicated that that number was the FTE
4 A. Oka	ay.	4	equivalent.
5 Q. Let	's start out withI'll find the page here	5	A. Not inin 2002, the permanent salary number
6 in a	a moment. It's your evidence, page 14, and	6	in 2002, it was still being done on an hourly
7 that	t's Table 3. Before I get into that, I	7	wage basis and -
8 war	nted to ask you a question. Are you	8	Q. Okay.
9 fam	niliar with the efforts by Hydro to convert	9	A a permanent complement basis. So in 2002,
10 to t	he FTE measurement?	10	the fifteen eight eighty-three was salaries
11 A. Yes	S.	11	paid to permanent complements and the
12 Q. You	u are?	12	temporary salaries, the balance, if you will,
13 A. Yes	S.	13	is done on hourly wages at fifteen seventy-
14 Q. And	d so that, I think, tookstarted to take	14	nine.
15 plac	ce a couple of years ago, as I recall?	15	Q. Okay. And move along to 2004 then.
16 A. Yes	s, I think actually 2003 is actually, you	16	A. In 2004, all salaries, whether they're
17 kno	ow, the forecast figures were on FTE, on an	17	permanent complement positions that are in
18 FTE	E basis.	18	organization chart or whether they're
19 Q. But	t if I go to, if I can find it here,	19	temporary, are included in under the permanent
20 Sch	nedule 4 of yours. I'm sorry, Schedule 6.	20	salary heading, which is a bit misleading, I
21 The	ere we are. You show in here permanent	21	guess.
22 sala	aries, and we can take any year, take the	22	Q. So when you say that that's an FTE equivalent
23 firs	t one, it's easier to see. 2002, it's 15	23	-
24 mil	lion eight eighty-three. And in response	24	A. Yes, that \$18,471,000 is to pay all salaries
25 to a	a question that was raised, I think by Mr.	25	in the production division, whether they're
	Page 5)	Page 60
1 per	manent or temporary.	1	measure the number of hours of work by your
2 Q. Ok	ay. But my understanding of FTE, it would	2	total staff, including overtime. But you
3 incl	lude overtime and fringeI'm sorry, not	3	don't understand it to be that way?
4 frin	ge benefitswould include overtime and	4 ((10:15 a.m.)
5 hou	urly wages, of course, as well, but it	5	A. I'm notmy understanding is that that's not
6 doe	esn't here, obviously, because -	6	the way that we put forward the numbers on our
7 A. No.		7	FTE complement that we have not included the
8 Q yo	ou show a separate number, one million four	8	overtime, but I -
9 sev	enty-five for overtime.	9	Q. Because otherwise, how could you measure the
	s, and overtime is sometimes capitalized,	10	1 2 2
	know, it depends on where it goes. But	11	
	t basically would beyou know, overtime,	12	
	plan for an amount of overtime.	13	1 2
14 Q. Yes		14	-
	t often times, we are driven there by, you	15	1
	ow, other factors, breakdown or whatever.	16	5 5
	our forecasting of personnel needs in that	17	e e
-	manent salary component is basically the	18	
	nber of standardthe number of hours we	19	
-	uire to do our regular work. Overtime is	20	
	l treated separately and budgeted	21	-
-	arately. If you were -	22	
	at's not my understanding of how the FTE	23	
24 stat	istic is supposed to end up. The FTE	24	925,000, what does that tell me? What is that
	istic is, in my understanding, supposed to	25	supposed to indicate?

	Page 62
	of what it is you're trying to indicate to the
	Board as to what your efficiency is. To show
	that your complement has dropped from 320 to
	300 may mean something to the way in which you
	measure your productivity, but what's more
	important, I think, at least as far as I'm
	concerned, is the productivity measurement
	that's indicated by the FTE's and I come back
	to the root question, why it is Hydro appears
	to have struggled with making that conversion
	over the past two or three years that you've
	been trying to do it?
	A. I do not know the answer to your last
	question, with respect to the FTE. I mean,
	what we have put into permanent salaries is
	the FTE dollars for permanent and temporary
	employees.
	Q. Yes.
	A. I accept what you said that when you evaluate
	at the end of the year how many actual hours
	that you did, you would have to consider
	overtime plus other hours to give you the
	total number of hours that were engaged in
	work. I'm not sure about the mechanics behind
25	the schedule in the finance side. Just to go
3	Page 64
1	a source of confusion.
2	A. Okay. I mean, what we -
3	Q. And I just pass that on, and probably, Ms.
4	Greene, if you could come up with any kind of
5	a schedule to replace the one that is showing
6	up here to indicate what the FTE equivalent
7	is, it would be most helpful.
8	GREENE, Q.C.:
9	Q. Commissioner Saunders, Hydro actually started
10	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in
10 11	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also
10 11 12	 Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that
10 11 12 13	 Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of
10 11 12 13 14	 Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of the confusion is where we did not have a prior
10 11 12 13	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of the confusion is where we did not have a prior to 2003 on a budget basis, for comparability
10 11 12 13 14 15 16	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of the confusion is where we did not have a prior to 2003 on a budget basis, for comparability purposes, we have included it both ways in
10 11 12 13 14 15 16 17	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of the confusion is where we did not have a prior to 2003 on a budget basis, for comparability purposes, we have included it both ways in what we have filed. In the future, you will
10 11 12 13 14 15 16 17 18	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of the confusion is where we did not have a prior to 2003 on a budget basis, for comparability purposes, we have included it both ways in what we have filed. In the future, you will only see the FTE basis, so I think that will
10 11 12 13 14 15 16 17 18 19	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of the confusion is where we did not have a prior to 2003 on a budget basis, for comparability purposes, we have included it both ways in what we have filed. In the future, you will only see the FTE basis, so I think that will simplify the process. We did it so we could
10 11 12 13 14 15 16 17 18 19 20	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of the confusion is where we did not have a prior to 2003 on a budget basis, for comparability purposes, we have included it both ways in what we have filed. In the future, you will only see the FTE basis, so I think that will simplify the process. We did it so we could do direct comparisons on staffing from past
10 11 12 13 14 15 16 17 18 19 20 21	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of the confusion is where we did not have a prior to 2003 on a budget basis, for comparability purposes, we have included it both ways in what we have filed. In the future, you will only see the FTE basis, so I think that will simplify the process. We did it so we could do direct comparisons on staffing from past historical data. But in the future, I'm
10 11 12 13 14 15 16 17 18 19 20 21 22	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of the confusion is where we did not have a prior to 2003 on a budget basis, for comparability purposes, we have included it both ways in what we have filed. In the future, you will only see the FTE basis, so I think that will simplify the process. We did it so we could do direct comparisons on staffing from past historical data. But in the future, I'm assuming we'll only have to go back no earlier
10 11 12 13 14 15 16 17 18 19 20 21 22 23	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of the confusion is where we did not have a prior to 2003 on a budget basis, for comparability purposes, we have included it both ways in what we have filed. In the future, you will only see the FTE basis, so I think that will simplify the process. We did it so we could do direct comparisons on staffing from past historical data. But in the future, I'm assuming we'll only have to go back no earlier than 2002, so we should have it on a
10 11 12 13 14 15 16 17 18 19 20 21 22	Q. Commissioner Saunders, Hydro actually started reporting on an actual basis for FTE's in 2002. When Mr. Haynes said 2003, we also started forecasting and budgeting on that basis. And with respect to the FTE's, part of the confusion is where we did not have a prior to 2003 on a budget basis, for comparability purposes, we have included it both ways in what we have filed. In the future, you will only see the FTE basis, so I think that will simplify the process. We did it so we could do direct comparisons on staffing from past historical data. But in the future, I'm assuming we'll only have to go back no earlier
	2 3 4 5 6 7

Discoveries Unlimited Inc., Ph: (709)437-5028

Multi-PageTMNL Hydro's 2003 General Rate Application

Page 65	Page 66
1 COMMISSIONER SAUNDERS:	1 GREENE, Q.C.:
2 Q. I recall raising this in the 2001 GRA and I	2 Q. The 2004 forecast, Commissioner Saunders, is
3 recall the response that you just gave was	3 on an FTE basis.
4 something similar.	4 COMMISSIONER SAUNDERS:
5 GREENE, Q.C.:	5 Q. Well -
6 Q. The onlythe problem is -	6 GREENE, Q.C.:
7 COMMISSIONER SAUNDERS:	7 Q. The hourly -
8 Q. And we're two years down the road and it still	8 COMMISSIONER SAUNDERS:
9 hasn't been changed.	9 Q that's a matter of argument, isn't it? As
10 GREENE, Q.C.:	10 to what Mr. Haynes just described, it's not on
11 Q. That's because we still have to show you the	11 an FTE basis as I understand it.
12 historical data because of all of the requests	12 GREENE, Q.C.:
13 for information and tracking.	13 Q. And that's because you -
14 COMMISSIONER SAUNDERS:	14 COMMISSIONER SAUNDERS:
15 Q. I understand that, but for the purposes of	15 Q. Especially when you show the vacancy
16 what the 2004 forecast is, the test year, then	16 adjustments at \$925,000.
17 I don't think anything else but FTE's is any	17 GREENE, Q.C.:
18 way useful.	18 Q and perhaps when I ask Mr. Haynes some
19 GREENE, Q.C.:	19 questions arising from your questions on the
20 Q. And the 2000 -	20 vacancy adjustment, you'll understand how we
21 COMMISSIONER SAUNDERS:	21 have applied it. But the FTE basis is an FTE
22 Q. Permanent complements don't really mean too	22 basis. The only thing that I guess we may
23 much to me. They may mean a lot to you, but I	23 have some difference on is whether overtime
24 don't think that there's a veryit's a very	24 gets included in it, and neither us nor
25 meaningful measure for the Board.	25 Newfoundland Power include overtime in how we
Page 67	Page 68
1 budget for FTE's. But if the Board would like	1 Greene's discussion with you on re-direct on
2 us to change, well, obviously we will change	2 the factors affecting the ultimate fuel
3 again, because we are responding to whatever	3 efficiency at Holyrood.
4 the Board finds suitable for its tracking and	4 A. Yes.
5 its measurement.	5 Q. And it only relates to Holyrood operations for
6 COMMISSIONER SAUNDERS:	6 the upcoming year. Will Granite Canal have
7 Q. I'll explore it with Mr	7 any effect on the operations of Holyrood this
8 GREENE, Q.C.:	8 winter, this is the first winter, I guess,
9 Q. Martin?	9 you'll beGranite Canal will be in service?
10 COMMISSIONER SAUNDERS:	10 A. In theory, if the load forecast had not
11 Q. No, Grant Thornton's witness, Mr. Brushett,	11 changed, you know, had the system not been
12 when he arrives on the stand. I guess he'll	12 growing and so on, there would be less
13 be able to help us out in terms of what we	13 productionif all things were static, the
14 progress to on the conversion. Thank you, Mr.	14 effect, the impact of another 243 gigawatt
15 Chair. That's all I have.	15 hours of energy capability from Granite Canal
16 CHAIRMAN:	16 would, in theory, have reduced the fuel
17 Q. Thank you, Commissioner Saunders.	17 consumption at Holyrood and would likely have
18 Commissioner Whalen.	some impact on the average loading of the
19 COMMISSIONER WHALEN:	19 units. But that is not a specific, you know,
20 Q. Yes, Mr. Haynes. I did have a number of	20 it's hard to pick that out of the pile, but in
21 questions of Cost of Service, but you'll be	21 theory, it would have some impact on the
22 pleased to hear that I've decided to defer	22 average loading. If the load has been up, the
pleased to hear that I've decided to deferthose to the experts, so I'll just pass on	23 hydraulic has been low, so you know, it's
22 pleased to hear that I've decided to defer	

Multi-PageTMNL Hydro's 2003 General Rate Application

		-ra	age TM NL Hydro's 2003 General Rate Application
1.	Page 69	1	Page 70
	MR. HAYNES:	1	efficiency load, but there are other system
2	down to a lesser performance than we've	2	conditions which can strain that, so it's a
3	achieved in the last two years, particularly.	3	you know, there are so many factors that go
4	Q. So in theory, Granite Canal would have	4	into that discussion that it is very difficult
5	resulted in a lower average loading at	5	to pinpoint that this is a, you know, if you
6	Holyrood?	6	do this, this doesn't exactly happen, but it
7	A. If everything else was static, it would	7	trends that way. But you would bring back the
8	presumably reduce in some impacts.	8	average loading in some amount.
9	Q. How does that affect the fuel efficiency?	9	Q. That's all I have, thank you very much, Mr.
10	A. If our average unit loading on a given period	10	Haynes, you've been very helpful.
11	of time, if you look at Schedule 5, the curve		CHAIRMAN;
12	of the Holyrood performance, just excuse me,	12	Q. Thank you, Commissioner Whalen. Thank you
13	when you look at that particular chart, I	13	very much, Mr. Haynes, for your testimony. I
14	mentioned the other day that between 100 and	14	found it to be very direct and informative. I
15	120 megawatts, that's basically about 30	15	don't have any particular technical questions.
16	percent of our monthly operating average is in	16	I guess one of the questions I do have, I
17	that period of time. So if you're operating	17	asked this at the corporate level to Mr. Wells
18	at a very, very high load and high energy	18	and it relates, I think Mr. Wells commented on
19	production at Holyrood, then you would be	19	the fact that indeed what gets measured, gets
20	pushed up to the latter part of that chart	20	managed and I certainly agree with that. And
21	which would put you up at 120, 140 megawatt	21	I guess from our perspective and the
22	range. As you come down, you will have some,	22	responsibility that we have in terms of
23	you know, impact on the energy conversion	23	regulation, certainly one of the key features
24	factor. Now, the Energy Control Centre will	24	that I see going forward is really to get, in
25	do its best to dispatch to the units at a high	25	terms of our ability to regulate and certainly
	Page 71		Page 72
1	supervise, is to get into a system of key	1	vice-president of Hydro; and how indeed are
2	performance indicators that we can certainly	2	they used within the organization to measure
3	monitor and agree upon and ensure that those	3	your performance?
4	are operationalized in an appropriate way	4	A. These KPI's, the ones that are on this
5	within the organization. That's one of the	5	particular sheet and also as you drill down
6	only ways that I can see that we can equalize,	6	through, are available to the plant managers
7	to some degree, the information that's in your	7	and the regional managers and all directors
8	head and in mine. So I keep perhaps asking	8	and almost anybody who has access to a
9	this question quite a bit, how doesone	9	computer at Hydro. And we do review these
10	aspect is certainlywould be certainly the	10	from time to time in our manager/director
11	performance indicators and from our	11	meetings to see where we are, we, you know,
12	perspective to ensure that these are the key	12	some of these we obviously pay a lot more
13	measures and that they communicate to us some	13	attention on a more regular basis than others,
14	messages, in terms of efficiency, let me ask	14	and some of the ones are generated at the year
15	you now do youand you also indicated that,	15	end. But the financial ones are there,
16	you know, these are at a more of a	16	they're available to review the cost, the
17	productivity level, more at your level and if	17	amount of millions that are spent in each
18	you drill down, there are certainly other	18	respective department and I review those with
19	indicators that I'm sure that you use in your	19	the managers and directors of my division, and
20	monitoring of your various divisions and	20	some of the capability factors and so on, have
21	departments that report to you. So how do you	21	been put into the targets, if you will, for
22	effectively operationalize, if you will, the	22	the respective managers. So, for instance, in
23	key performance indicators in your area of	23	a Bay d'Espoir or Holyrood, one of his
24	responsibility within the organization? How	24	performance targets for 2003 would be to
25	do you use them in your day-to-day business as	25	maintain a certain reliability factor or to
	as you use ment in your duy to duy ousiness us	125	mannan a contain romaonity factor of to

Page 73		Page 74
1 MR. HAYNES:	1	top of, you know, a half a dozen or dozen kind
2 improve upon it or to reduce the number of the	2	of high level indicators. As you go down
3 failure rate performance, for instance, at Bay	3	through the various departments, whether it's
4 d'Espoir. So those are things that we had	4	engineering or operations or IT or whatever,
5 reviewed, discussed and those are his specific	5	there are other factors and other objectives
6 or her specific targets, for instance, for	6	that we have agreed to on a one-to-one basis
7 2003.	7	and corporately, that they are challenged to
8 Q. So you actually sit down at the beginning of	8	achieve.
9 the year of whenever the period of time and	9	Q. Second part of my question was how they are
10 work out these performance targets with	10	used within the organization to valuate your
11 managers and then sit down at the end of the	11	performance?
12 year and review effectively how these have	12	A. I have the same thing with Mr. Wells, I had
13 been met?	13	objectives that we have agreed to that
14 (10:30 a.m.)	14	production division has put forward. It's
15 A. Yes, we havethere are two or three vehicles,	15	like a Christmas tree, there are a whole raft
16 one is these performance targets. We also	16	of objectives below and they filter up and
17 have departmental other objectives that are	17	there are three or four or five high level
18 signed off between myself and my mangers and	18	objectives that Mr. Wells has agreed or
19 directors, and these things areone or	19	directed me to focus on.
20 several of these factors are usually included	20	Q. Are these some of those objectives?
21 in that, along with others, as things that	21	A. Some of those are related, obviously the
22 they need to be focusing on this particular	22	reliability ones and the cost control ones are
23 year and that we do look for improvement or	23	things there. I mean, our intent and our
24 control or whatever. So those are, you know,	24	objective for 2003 was to control our cost to
25 this particular sheet is a floating up to the	25	the bottom line that we had anticipated when
Page 75		Page 76
1 we went into 2003, and if things happen, if	1	A. We've always had objectivesI wouldn't say
2 there are events that occur that we would need	2	"always", for the last years that I can
3 to spend more money, we will go back and	3	remember that we have had objectives set
4 evaluate and see if we can move things around	4	between my position and the CEO, and between
5 or to shave from pocket Ato pay the	5	the vice president's position and the vericus
- . .		the vice-president's position and the various
6 unforeseen expense in pocket B, as often	6	managers/directors that report to them,
6 unforeseen expense in pocket B, as often7 happens in the generationparticularly for	6 7	managers/directors that report to them, there's been objectives set for quite a number
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 	6	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 	6 7 8 9	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 10 wouldn't suggest that we always achieve it, 	6 7 8 9 10	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 10 wouldn't suggest that we always achieve it, 11 but we are certainly trying to hold that 	6 7 8 9 10 11	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 10 wouldn't suggest that we always achieve it, 11 but we are certainly trying to hold that 12 particular figure. 	6 7 8 9 10 11 12	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 10 wouldn't suggest that we always achieve it, 11 but we are certainly trying to hold that 12 particular figure. 13 Q. Is this something new in relation to the 	6 7 8 9 10 11 12 13	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 10 wouldn't suggest that we always achieve it, 11 but we are certainly trying to hold that 12 particular figure. 13 Q. Is this something new in relation to the 14 review of, you know, key performance 	6 7 8 9 10 11 12 13 14	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this started before the Grant Thornton review and
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 10 wouldn't suggest that we always achieve it, 11 but we are certainly trying to hold that 12 particular figure. 13 Q. Is this something new in relation to the 14 review of, you know, key performance 15 indicators within Hydro or is this something 	6 7 8 9 10 11 12 13 14 15	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this started before the Grant Thornton review and so on, these things were in progress and there
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 10 wouldn't suggest that we always achieve it, 11 but we are certainly trying to hold that 12 particular figure. 13 Q. Is this something new in relation to the 14 review of, you know, key performance 15 indicators within Hydro or is this something 16 that's been done for quite some time and 	6 7 8 9 10 11 12 13 14 15 16	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this started before the Grant Thornton review and so on, these things were in progress and there was a template or a draft screen prepared.
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 10 wouldn't suggest that we always achieve it, 11 but we are certainly trying to hold that 12 particular figure. 13 Q. Is this something new in relation to the 14 review of, you know, key performance 15 indicators within Hydro or is this something 16 that's been done for quite some time and 17 really these are being developed now, I guess, 	6 7 8 9 10 11 12 13 14 15 16 17	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this started before the Grant Thornton review and so on, these things were in progress and there was a template or a draft screen prepared. And one of it was to actually put these things
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 10 wouldn't suggest that we always achieve it, 11 but we are certainly trying to hold that 12 particular figure. 13 Q. Is this something new in relation to the 14 review of, you know, key performance 15 indicators within Hydro or is this something 16 that's been done for quite some time and 17 really these are being developed now, I guess, 18 as a result of P.U.7. There's certainly a 	6 7 8 9 10 11 12 13 14 15 16 17 18	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this started before the Grant Thornton review and so on, these things were in progress and there was a template or a draft screen prepared. And one of it was to actually put these things in a place where employees, and particularly
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 10 wouldn't suggest that we always achieve it, 11 but we are certainly trying to hold that 12 particular figure. 13 Q. Is this something new in relation to the 14 review of, you know, key performance 15 indicators within Hydro or is this something 16 that's been done for quite some time and 17 really these are being developed now, I guess, 18 as a result of P.U.7. There's certainly a 19 performance review report that would have been 	6 7 8 9 10 11 12 13 14 15 16 17 18 19	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this started before the Grant Thornton review and so on, these things were in progress and there was a template or a draft screen prepared. And one of it was to actually put these things in a place where employees, and particularly managers and supervisors could actually see
 6 unforeseen expense in pocket B, as often 7 happens in the generationparticularly for 8 break down. So that is a goal and objective 9 to maintain that particular cost control and I 10 wouldn't suggest that we always achieve it, 11 but we are certainly trying to hold that 12 particular figure. 13 Q. Is this something new in relation to the 14 review of, you know, key performance 15 indicators within Hydro or is this something 16 that's been done for quite some time and 17 really these are being developed now, I guess, 18 as a result of P.U.7. There's certainly a 19 performance review report that would have been 20 performed by Grant Thornton that came out of 	6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this started before the Grant Thornton review and so on, these things were in progress and there was a template or a draft screen prepared. And one of it was to actually put these things in a place where employees, and particularly managers and supervisors could actually see them, this is how we're doing. And this is
 unforeseen expense in pocket B, as often happens in the generationparticularly for break down. So that is a goal and objective to maintain that particular cost control and I wouldn't suggest that we always achieve it, but we are certainly trying to hold that particular figure. Q. Is this something new in relation to the review of, you know, key performance indicators within Hydro or is this something that's been done for quite some time and really these are being developed now, I guess, as a result of P.U.7. There's certainly a performance review report that would have been performed by Grant Thornton that came out of that, has this just been really 	6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this started before the Grant Thornton review and so on, these things were in progress and there was a template or a draft screen prepared. And one of it was to actually put these things in a place where employees, and particularly managers and supervisors could actually see them, this is how we're doing. And this is updated on some ofsome of these factors are
 unforeseen expense in pocket B, as often happens in the generationparticularly for break down. So that is a goal and objective to maintain that particular cost control and I wouldn't suggest that we always achieve it, but we are certainly trying to hold that particular figure. Q. Is this something new in relation to the review of, you know, key performance indicators within Hydro or is this something that's been done for quite some time and really these are being developed now, I guess, as a result of P.U.7. There's certainly a performance review report that would have been performed by Grant Thornton that came out of that, has this just been really operationalized within Hydro now or is it 	6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this started before the Grant Thornton review and so on, these things were in progress and there was a template or a draft screen prepared. And one of it was to actually put these things in a place where employees, and particularly managers and supervisors could actually see them, this is how we're doing. And this is updated on some ofsome of these factors are updated on a weekly basis and some, for
 unforeseen expense in pocket B, as often happens in the generationparticularly for break down. So that is a goal and objective to maintain that particular cost control and I wouldn't suggest that we always achieve it, but we are certainly trying to hold that particular figure. Q. Is this something new in relation to the review of, you know, key performance indicators within Hydro or is this something that's been done for quite some time and really these are being developed now, I guess, as a result of P.U.7. There's certainly a performance review report that would have been performed by Grant Thornton that came out of that, has this just been really operationalized within Hydro now or is it something that's been there all along and just 	6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this started before the Grant Thornton review and so on, these things were in progress and there was a template or a draft screen prepared. And one of it was to actually put these things in a place where employees, and particularly managers and supervisors could actually see them, this is how we're doing. And this is updated on some ofsome of these factors are updated on a weekly basis and some, for instance, the customer satisfaction index is
 unforeseen expense in pocket B, as often happens in the generationparticularly for break down. So that is a goal and objective to maintain that particular cost control and I wouldn't suggest that we always achieve it, but we are certainly trying to hold that particular figure. Q. Is this something new in relation to the review of, you know, key performance indicators within Hydro or is this something that's been done for quite some time and really these are being developed now, I guess, as a result of P.U.7. There's certainly a performance review report that would have been performed by Grant Thornton that came out of that, has this just been really operationalized within Hydro now or is it 	6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	managers/directors that report to them, there's been objectives set for quite a number of years. And in 2002 when we were doing some, you know, strategic planning initiatives, we did identify that we really need to be a little bit more proactive on the measurement side and this KPI screen, these key performance initiatives were, I mean, this started before the Grant Thornton review and so on, these things were in progress and there was a template or a draft screen prepared. And one of it was to actually put these things in a place where employees, and particularly managers and supervisors could actually see them, this is how we're doing. And this is updated on some ofsome of these factors are updated on a weekly basis and some, for

Discoveries Unlimited Inc., Ph: (709)437-5028

1	Page 77		Page 78
1	MR. HAYNES:	1	analysis that's going to be done on
2	updated at least on a minimum, monthly basis.	2	Reliability Centered Maintenance, do you know
3	So it'sthe communication's feed back to the	3	when that will be done?
4	people who have most control and impact on	4	A. I think the first stage I believe is being
5	those performance have the information. So	5	done in 2004, that they are going to review in
6	the KPI screen or using the technology that we	6	2004 application of RCM to some of their
7	have to get this information is new, but the	7	systems.
8	objectives, setting corporate objectives,	8	Q. Will Hydro receive a report from CF(L)Co on
9	departmental objectives, that's not new.	9	that project?
10	Q. Thank you very much, Mr. Haynes. Any matters	10	A. We may not receive the report, but we'll
11	arising from Board questions? Good morning	11	certainly have dialogue with CF(L)Co and there
12	Mr. Browne, do you have any?	12	would be no reason why we would notthey
13	BROWNE, Q.C.:	13	would not be share results with us.
14	Q. No, thank you, Mr. Chair.	14	Q. You mention that there's a consultant retained
15	CHAIRMAN:	15	to look at RCM for Holyrood?
16	Q. Mr. Kelly?	16	A. Yes.
17	KELLY, Q.C.:	17	Q. Can you tell us who that is and what the cost
18	Q. I think I have a couple of questions on the	18	will be?
19	Reliability Centered Maintenance arising from	19	A. The consultant is Hartford Steam Boiler and I
20	the new information, if I may be permitted Mr.	20	think it's in the order of \$60,000 or \$70,000.
21	Chairman?	21	Q. And when will they report?
22	CHAIRMAN:	22	A. They will report late this year, at least the
23	Q. Sure, go ahead.	23	draft report will be in our hands, I believe,
24	KELLY, Q.C.:	24	by the end of the year.
25	Q. Mr. Haynes, you talked about the CF(L)Co	25	Q. And I take it from that, that there will be a
	Page 79		Page 80
1	written report from Hartford Steam Boiler?	1	but they are common factors.
2	A. I would assume there would be a written	2	Q. So your struggles with these factors are
3	report, yes, from them.		
5		3	reflected in the averages that you have
4	Q. Thank you. Those are my questions, Chair.	3 4	reflected in the averages that you have already produced in the past number of years?
4	- ·		Ç ,
4	Q. Thank you. Those are my questions, Chair.	4	already produced in the past number of years?
45	Q. Thank you. Those are my questions, Chair. CHAIRMAN:	4 5 6	already produced in the past number of years? A. That's correct.
4 5 6 7	Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good	4 5 6	already produced in the past number of years? A. That's correct. Q. Okay, thank you.
4 5 6 7	Q. Thank you. Those are my questions, Chair.CHAIRMAN:Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning.	4 5 6 7 8	already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN:
4 5 6 7 8	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: 	4 5 6 7 8	already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour.
4 5 6 7 8 9	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions 	4 5 6 7 8 9	already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR:
4 5 6 7 8 9 10	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just 	4 5 6 7 8 9 10	already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank
4 5 6 7 8 9 10 11	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with 	4 5 6 7 8 9 10 11	already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and
4 5 6 7 8 9 10 11 12	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the 	4 5 7 8 9 10 11 12	already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early
4 5 6 7 8 9 10 11 12 13	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the Holyrood deficiency factor, and the factors 	4 5 6 7 8 9 10 11 12 13	already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early morning of September 19, 2003. My question
4 5 6 7 8 9 10 11 12 13 14	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the Holyrood deficiency factor, and the factors that influence that, you'd referred to IC-317 	4 5 6 7 8 9 10 11 12 13 14	 already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early morning of September 19, 2003. My question relates to the GNP generation at that time
4 5 6 7 8 9 10 11 12 13 14 15	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the Holyrood deficiency factor, and the factors that influence that, you'd referred to IC-317 and you list there six factors and you added 	4 5 6 7 8 9 10 11 12 13 14 15	 already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early morning of September 19, 2003. My question relates to the GNP generation at that time that you've now sort of quantified in greater
4 5 6 7 8 9 10 11 12 13 14 15 16	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the Holyrood deficiency factor, and the factors that influence that, you'd referred to IC-317 and you list there six factors and you added another one during the course of your 	4 5 6 7 8 9 10 11 12 13 14 15 16	 already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early morning of September 19, 2003. My question relates to the GNP generation at that time that you've now sort of quantified in greater particulars. And I wonder if you could
4 5 6 7 8 9 10 11 12 13 14 15 16 17	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the Holyrood deficiency factor, and the factors that influence that, you'd referred to IC-317 and you list there six factors and you added another one during the course of your responses. Recognizing that each of these 	4 5 6 7 8 9 10 11 12 13 14 15 16 17	 already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early morning of September 19, 2003. My question relates to the GNP generation at that time that you've now sort of quantified in greater particulars. And I wonder if you could indicate to us how the generation from the GNP
4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the Holyrood deficiency factor, and the factors that influence that, you'd referred to IC-317 and you list there six factors and you added another one during the course of your responses. Recognizing that each of these factors will have a different impact at a 	4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early morning of September 19, 2003. My question relates to the GNP generation at that time that you've now sort of quantified in greater particulars. And I wonder if you could indicate to us how the generation from the GNP on September 18 and into the early morning
4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the Holyrood deficiency factor, and the factors that influence that, you'd referred to IC-317 and you list there six factors and you added another one during the course of your responses. Recognizing that each of these factors will have a different impact at a different point in time, are these basically 	4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early morning of September 19, 2003. My question relates to the GNP generation at that time that you've now sort of quantified in greater particulars. And I wonder if you could indicate to us how the generation from the GNP on September 18 and into the early morning hours of September 19, compared to local loads
4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the Holyrood deficiency factor, and the factors that influence that, you'd referred to IC-317 and you list there six factors and you added another one during the course of your responses. Recognizing that each of these factors will have a different impact at a different point in time, are these basically all the same factors that have been impacting 	4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early morning of September 19, 2003. My question relates to the GNP generation at that time that you've now sort of quantified in greater particulars. And I wonder if you could indicate to us how the generation from the GNP on September 18 and into the early morning hours of September 19, compared to local loads on the GNP at that time?
4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the Holyrood deficiency factor, and the factors that influence that, you'd referred to IC-317 and you list there six factors and you added another one during the course of your responses. Recognizing that each of these factors will have a different impact at a different point in time, are these basically all the same factors that have been impacting your efficiency at Holyrood since 1996 and 	4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early morning of September 19, 2003. My question relates to the GNP generation at that time that you've now sort of quantified in greater particulars. And I wonder if you could indicate to us how the generation from the GNP on September 18 and into the early morning hours of September 19, compared to local loads on the GNP at that time? A. I do not have that information, but basically
4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the Holyrood deficiency factor, and the factors that influence that, you'd referred to IC-317 and you list there six factors and you added another one during the course of your responses. Recognizing that each of these factors will have a different impact at a different point in time, are these basically all the same factors that have been impacting your efficiency at Holyrood since 1996 and 1997? 	4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early morning of September 19, 2003. My question relates to the GNP generation at that time that you've now sort of quantified in greater particulars. And I wonder if you could indicate to us how the generation from the GNP on September 18 and into the early morning hours of September 19, compared to local loads on the GNP at that time? A. I do not have that information, but basically you had six megawatts at St. Anthony and 1.7
4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 Q. Thank you. Those are my questions, Chair. CHAIRMAN: Q. Thank you, Mr. Kelly. Mr. Hutchings, good morning. HUTCHINGS, Q.C.: Q. Yes, I think we have a couple of questions between us, Mr. Chair. Mr. Haynes, just arising out of your discussions with Commissioner Whalen and Ms. Greene on the Holyrood deficiency factor, and the factors that influence that, you'd referred to IC-317 and you list there six factors and you added another one during the course of your responses. Recognizing that each of these factors will have a different impact at a different point in time, are these basically all the same factors that have been impacting your efficiency at Holyrood since 1996 and 1997? A. Yes, those factors have been constant. Those 	4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 already produced in the past number of years? A. That's correct. Q. Okay, thank you. CHAIRMAN: Q. Mr. Seviour. MR. SEVIOUR: Q. Thank you, Mr. Chairman. Mr. Haynes, thank you for the information about September 18 and I guess calculating the hours into the early morning of September 19, 2003. My question relates to the GNP generation at that time that you've now sort of quantified in greater particulars. And I wonder if you could indicate to us how the generation from the GNP on September 18 and into the early morning hours of September 19, compared to local loads on the GNP at that time? A. I do not have that information, but basically you had six megawatts at St. Anthony and 1.7 at Roddickton. I cannot tell you whether it actually would have exceeded the GNP load, but

Discoveries Unlimited Inc., Ph: (709)437-5028

October 24, 2003

Γ

Multi-PageTMNL Hydro's 2003 General Rate Application

Oct	ober 24, 2003 Multi	-Pag	ge ^m NL Hydro's 2003 General Rate Application
	Page 81		Page 82
1 N	IR. HAYNES:	1	salaries, is it correct that that includes for
2	contributed to the system, had we not started	2	budgeting purposes, the employees who will be
3	it, it would have been generation that would	3	on on a fulltime permanent basis for the year
4	have had to have been provided by the gas	4	on the assumption verses they will be there
5	turbines at St. John's or Stephenville.	5	for the full 12 months of the year?
6	Q. I appreciate your evidence on the point. Can	6	A. That's correct.
7	you, with some particularity, furnish that	7	Q. And it also includes budgeting for temporaries
8	information to me? (Undertaking).	8	that will be on at various times to do
9	A. I believe that information should be available	9	maintenance and for other reasons, is that
10	from the Energy Control Centre, yes.	10	correct?
11	Q. Thank you, Mr. Haynes. That's all the	11	A. That is correct.
12	questions I have, Mr. Chairman.	12	Q. So it's composed of two types of employees:
	CHAIRMAN:	13	those who will be there on a permanent basis
14	Q. Thank you, Mr. Seviour. Mr. Kennedy?	14	for a fulltime basis; and those who will be on
	IR. KENNEDY:	15	at various points of time that we call
15 N	Q. Nothing arising, Chair.	16	temporaries?
	CHAIRMAN:	17	A. That's correct.
17 C	Q. Ms. Greene?	18	Q. Now coming down to line 9, the vacancy
	GREENE, Q.C.:	18 19	adjustment, is the vacancy adjustment applied
20	Q. I had one, Mr. Chair, arising from the	20	first only with respect to permanent or
20	questioning of Commissioner Saunders and I	20	fulltime employees?
21	wonder if we could bring up Schedule 6,	21	A. The vacancy adjustment, of the \$925,000.00
22	please, Mr. O'Reilly, to Mr. Haynes' evidence.	22	there are, I guess, composition of that
	Looking at the 2004 forecast, Mr. Haynes, for		number, there are two factors. One is a
24 25		24	-
25	the line that's shown there permanent	25	million dollar vacancy reduction that we've
	Page 83		Page 84
1	carried for a number of years, or close to	1	Q. And that's only applied to the fulltime
2	that number.	2	employees?
3	Q. And you mean corporately there, don't you?	3	A. Yes.
4	A. Corporately it was a million dollars and that	4	Q. Now, the next question was why is the vacancy
5	is our share based on the number of employees	5	adjustment higher in 2004 for the production
6	that production division has, that would -	6	division than the two previous years shown at
7	Q. So the normal vacancy adjustment would be, for	7	2002 and 3?
8	example, if you looked at 2003 where you see	8	A. The increase is basically dueis our
9	368 related to vacancies in fulltime positions	9	expectation of gains that we will achieve
10	as a result of retirements of people leaving	10	through business process review, specifically
11	Hydro and a period of time and then the	11	the program that we started, also through any
12	position being filled, is that correct?	12	initiatives that are undertaken to review any
13	A. That would be correct.	13	vacant positions that we had that maybe
14	Q. So the budget number is first based on the	14	written out of our office system that we can
15	fact that there will be people in the fulltime	15	avoid or any other changes where we see that
16	positions continuously throughout the 12	16	we can actually achieve savings in 2004. So
17	months, plus an indication of what's required	17	we had anticipated essentially the difference
18	for temporary supplement to the workforce, is	18	of 925 and roughly, say, 370 of other saving
19	that correct?	19	that we are challenged to achieve this year.
20	A. That's correct.	20	If we achieve them, that's great; if we don't
21	Q. And because we know that there will be	21	achieve them, we will, obviously be, we will
	vacancies in the fulltime positions, a vacancy	22	not earn to pay those particular things and it
22	vacancies in the random positions, a vacancy	22	
	allowance is then applied as a credit, is that	23	would not be part of our rate base.
22	- · ·		

Multi-PageTMNL Hydro's 2003 General Rate Application

	tober 24, 2003 Multi		age NL Hydro's 2005 General Rate Application
	Page 85		Page 86
1	GREENE, Q.C.:	1	another ten minutes, we can do that and see
2	efficiency gains Hydro expects to achieve, it	2	how it goes. And we'll start Mr. Martin at
3	was put in the vacancy allowance factor for	3	ten after.
4	2004, is that correct?	4	GREENE, Q.C.:
5	A. That's correct, it was a place of convenience,	5	Q. Thank you, Mr. Chairman.
6	a code that could be used easily to	6	-
7	accommodate those numbers.	7	
8	Q. And leaving aside the issue of the overtime	8	CHAIRMAN:
9	and whether overtime gets budgeted as part of	9	Q. It hasn't been terribly comfortable in here
10	a F.T.E. basis, is the line that's shown there	10	
11	on line 4, "permanent salaries" Hydro's budget	11	
12	for fulltime equivalents for 2004?	12	
13	A. Yes.	13	
14	Q. Thank you, Mr. Haynes, that completes what I	14	
15	had.	15	
	CHAIRMAN:	16	
17	Q. Thank you, Ms. Greene. Thank you very much	17	
18	once again, Mr. Haynes. It's 10:40, it's	18	
19	likely to have a short break in any event for		BROWNE, Q.C.:
20	Mr. Haynes to clear all 12 binders, I think,	20	
21	off the desk. So probably what we'll do now,	21	
22	given that it's only 20 minutes before break		CHAIRMAN:
23	time, is we'll take the break now of a half an	23	
24	hour, we'll come back and reconvene. If it's	24	
25	really necessary between now and 1:30 to take		GREENE, Q.C.:
	Page 87		Page 88
1	Q. Before we begin with Mr. Martin, I just wanted	1	
2	to mention that we have circulated to the	$\begin{vmatrix} 1\\2 \end{vmatrix}$	
3	parties, and I believe the clerk has	3	
4	circulated there for the Panel members a copy	4	
5	of evidence from Ms. Richter, who will appear	5	
6	early next week as a witness. The evidence is	6	
7	similar to what we have done with other		MR. FREDERICK MARTIN (SWORN)
8	witnesses in terms of a short direct		CHAIRMAN:
9	examination of the report that has already	9	
10	been filed in the hydrology review and it was		GREENE, Q.C.:
11	filed as an exhibit to Mr. Haynes' evidence.	11	
12	The only thing that's new here is with respect	11	
12	to curriculum vitae of Ms. Richter which was	12	-
13	not filed because we weren't sure at the time	13	
14	whether it would be necessary to call her as a	14	
15	witness. So that has been circulated. And at	15	
17	this time we anticipate Ms. Richter will be	10	
17	called early next week as a witness.	17	
	(11:15 a.m.)	10	~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~
	CHAIRMAN:	20	
20	Q. Thank you, Ms. Greene. Good morning, Mr.	20	
21	Martin. How are you?	$\begin{vmatrix} 21 \\ 22 \end{vmatrix}$	
22	A. Mr. Chairman, fine. Thank you.	22	
23	Commissioners.	23	
24	Q. Good to see you again. It's been a -	24	
125	\sim 300 to see you again. It is been a -	125	Rural Operations evidence med with myulo s

Multi-PageTMNL Hydro's 2003 General Rate Application

	ober 24, 2003 Multi	-Pag	e NL Hydro's 2003 General Rate Application
	Page 89		Page 90
1 0	GREENE, Q.C.:	1	and an extension to the 230 kV termination
2	revised Application as your evidence in this	2	station at Upper Salmon.
3	proceeding?	3	Q. Mr. Martin, could you stop there and indicate
4	A. I do.	4	where on the map they would seize (phonetic) a
5	Q. Mr. Martin, I'd like first to look at Schedule	5	new addition to the transmission line, the
6	2 to your evidence. And I wonder, Mr.	6	terminal station due to Granite Canal?
7	O'Reilly, if you could bring that up, please?	7	A. Yes. If you look, I guess, on the south
8	And I wanted to review with you the	8	coast, about halfway along, an inch up from
9	facilities, the transmission and distribution	9	the bottom of the coast, you'll see Granite
10	facilities for which your division has	10	Canal. And then the TL-263 is the new 76
11	responsibility. So with reference to the math	11	kilometres of 230 kV transmission that
12	that is Schedule 2 to your evidence, could you	12	terminates at the Upper Salmon terminal
13	please outline the transmission distribution	13	station. In addition, Hydro also maintains
14	facilities for which you are responsible?	14	2516 kilometres of distribution lines up to 25
15	A. Yes. On the Island Interconnected System,	15	kV and 25 low voltage substations serving
16	Hydro currently owns and operates 3, 456	16	approximately 21,800 customers on the Island
17	kilometres of high voltage transmission lines	17	Interconnected System. These distribution
18	at 230, 138 and 69 kV. These are the red,	18	areas are along the south coast, the northeast
19	green and blue lines respectively on Schedule	19	coast and the Great Northern Peninsula. On
20	2, as well as 54 high voltage terminal	20	the Labrador Interconnected System Hydro owns
21	stations. Changes since the 2002 Cost of	21	269 kilometres at 138 kV transmission, and
22	Service include the new 76 kilometres of 230	22	associated terminal stations at Churchill
23	kV transmission line built as part of the	23	Falls and Happy Valley-Goose Bay. Hydro also
24	Granite Canal project as well as a new high	24	owns and maintains 44 kilometres of 46 kV sub-
25	voltage terminal station at Granite Canal site	25	transmission in Labrador west. With respect
	Page 91		Page 92
1	to distribution on the Labrador Interconnected	1	and 2002.
2	System, Hydro owns and maintains 336	2	Q. You're responsible for the Transmission and
3	kilometres of line and nine substations	3	Rural Operations Division in Hydro. What are
4	serving approximately 8900 customers.	4	some of the major challenges that you see
5	Q. Mr. Martin, you mentioned the addition of the	5	facing the division in the near future?
6	new assets as a result of the Granite Canal	6	A. transmission and rural operations, TRO, is
7	project. Will Hydro be adding any additional	7	faced with multiple challenges in carrying out
8	staff as a result of this new project?	8	Hydro's mandate of providing reliable service
9	A. No, we will not.	9	to its customers at the lowest possible cost.
10	Q. Now, I'd like to go to Schedule 3, please, to	10	Some of these include: large geographic
11	your evidence? And this deals with the	11	service area and the harsh environmental
12	isolated systems. Mr. Martin, could you	12	conditions we regularly encounter such as ice,
13	please summarize Hydro's facilities in our	13	sleet, wind and lightening storms; the
14	isolated systems?	14	increasing maintenance requirements of many of
15	A. Yes. Hydro owns and operates 24 isolated	15	our assets including wood poles, power
16	diesel generating and distribution systems	16	transformers, breakers and diesel engines, as
17	serving approximately 4400 customers	17	they approach the end of their service lives;
18	throughout coastal Newfoundland and Labrador.	18	the high level of reliability expected by our customers: the fast response times expected by
19	Sixteen of these systems are located in	19	customers; the fast response times expected by
20	Labrador and eight are on the Island of Newfoundland. These systems are comprised of	20	our customers following an interruption in
	New IOUDOLADO - LINESE SYSTEMS ARE COMPRISED OF	21	service; the increasing focus on our
21		22	anvironmental nonformance and as amiguing
21 22	83 diesel generators with a total install	22	environmental performance such as emission
21 22 23	83 diesel generators with a total install capacity of 30.5 megawatts. Schedule 4 to my	23	levels from the Holyrood generating station
21 22	83 diesel generators with a total install		-

	Page 93		Page 94
111	MR. MARTIN:	1	line worker staff. This resulted in a
2	finally, our consistent efforts to improve	2	reduction of 11 positions and the changing of
3	productivity and control costs. It is the	3	another 13 positions from permanent full-time
4	balancing of these two factors, reliability of	4	to part-time temporary. In addition, a number
5	service on one side and cost control on the	5	of positions were redeployed for operational
6	other to ensure the lowest possible cost for	6	efficiencies such as response time. The
7	our customers that is perhaps our greatest	7	concept of the diesel system representative,
8	challenge.	8	DSR, as outlined on page 9, Section 3.4.2 of
9	Q. What initiatives have been undertaken to	9	my evidence was implemented in 2002. These
10	control costs in TRO?	10	multi-skilled personnel located at all
11	A. TRO has implemented several initiatives since	10	isolated diesel sites can perform limited line
11	1999 to optimize performance and control	11	duties, minor electromechanical repairs,
12	costs. Examples include, the introduction of	12	utility maintenance and customer service
	-		-
14	Reliability Centred Maintenance, RCM, as	14	functions in addition to operating the diesel plant. This will improve continuity of
15	outlined on page 6, Section 3.2 of my evidence	15	· · · ·
16	has eliminated certain maintenance practices while changing the frequency of others. These	16	service to our customers while reducing labour
17		17	and travel costs. These initiatives, plus
18	changes will reduce our operating costs without affecting overall reliability. RCM is	18	efficiencies gained as other opportunities
19	· ·	19	arose resulted in the permanent compliment of
20	in the process of eliminationI'm sorry, in the process of implementation in 2003 and will	20	TRO being reduced by 63 positions, from 412 in
21	the process of implementation in 2003 and will be fully implemented starting in 2004. A line	21	1999 to 349 at the end of 2002, as well as a significant reduction in the requirement for
22	worker review in 2001, as outlined on page 9,	22 23	
23	· •		temporary staff. As well, the effect of these
24 25	Section 3.4.1 of my evidence was completed to ensure the optimum number and deployment of	24 25	improvements are illustrated in TRO's net operating expenses, as shown in Schedule 5 of
23	ensure the optimum number and deployment of	23	operating expenses, as shown in Schedule 5 of
	Page 95		Page 96
1	my evidence. These are forecast at \$ 32	1	wood transmission poles across the system.
2	my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a	1 2	wood transmission poles across the system. Core samples of approximately 150 will be
2 3	my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals.	1 2 3	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual
2 3 4	my evidence. These are forecast at \$ 32million in 2003 and \$32.6 million in 2004, adecrease of \$2.2 million from 2002 actuals.Q. Mr. Martin, you've indicated that one of your	1 2 3 4	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results
2 3 4 5	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset 	1 2 3 4 5	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the
2 3 4 5 6	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to 	1 2 3 4 5 6	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist
2 3 4 5 6 7	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? 	1 2 3 4 5 6 7	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy
2 3 4 5 6 7 8	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of 	1 2 3 4 5 6 7 8	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the
2 3 4 5 6 7 8 9	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, 	1 2 3 4 5 6 7 8 9	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an
2 3 4 5 6 7 8 9 10	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles 	1 2 3 4 5 6 7 8 9 10	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be
2 3 4 5 6 7 8 9 10 11	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage 	1 2 3 4 5 6 7 8 9 10 11	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole
2 3 4 5 6 7 8 9 10 11 12	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 	1 2 3 4 5 6 7 8 9 10 11 12	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized.
2 3 4 5 6 7 8 9 10 11 12 13	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years 	1 2 3 4 5 6 7 8 9 10 11 12 13	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging
2 3 4 5 6 7 8 9 10 11 12 13 14	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years old. Traditionally, preventive maintenance 	1 2 3 4 5 6 7 8 9 10 11 12 13 14	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging equipment is our air blast circuit breakers.
2 3 4 5 6 7 8 9 10 11 12 13 14 15	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years old. Traditionally, preventive maintenance practices would have been based on inspection 	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging equipment is our air blast circuit breakers. Hydro has 44 of these devices in excess of 35
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years old. Traditionally, preventive maintenance practices would have been based on inspection and replacement of wood poles as they 	$ \begin{array}{c} 1\\2\\3\\4\\5\\6\\7\\8\\9\\10\\11\\12\\13\\14\\15\\16\end{array} $	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging equipment is our air blast circuit breakers. Hydro has 44 of these devices in excess of 35 years old. A major refurbishment program has
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years old. Traditionally, preventive maintenance practices would have been based on inspection and replacement of wood poles as they deteriorated. During 1998 and 1999 a sample 	$ \begin{array}{c} 1\\2\\3\\4\\5\\6\\7\\8\\9\\10\\11\\12\\13\\14\\15\\16\\17\\\end{array} $	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging equipment is our air blast circuit breakers. Hydro has 44 of these devices in excess of 35 years old. A major refurbishment program has been initiated to maintain these units in
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years old. Traditionally, preventive maintenance practices would have been based on inspection and replacement of wood poles as they deteriorated. During 1998 and 1999 a sample of Hydro's wood poles were tested and core 	$ \begin{array}{c} 1\\2\\3\\4\\5\\6\\7\\8\\9\\10\\11\\12\\13\\14\\15\\16\\17\\18\end{array} $	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging equipment is our air blast circuit breakers. Hydro has 44 of these devices in excess of 35 years old. A major refurbishment program has been initiated to maintain these units in acceptable operating condition. These assets,
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years old. Traditionally, preventive maintenance practices would have been based on inspection and replacement of wood poles as they deteriorated. During 1998 and 1999 a sample of Hydro's wood poles were tested and core samples taken to determine the residual 	$ \begin{array}{c} 1\\2\\3\\4\\5\\6\\7\\8\\9\\10\\11\\12\\13\\14\\15\\16\\17\\18\\19\end{array} $	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging equipment is our air blast circuit breakers. Hydro has 44 of these devices in excess of 35 years old. A major refurbishment program has been initiated to maintain these units in acceptable operating condition. These assets, as well as the power transformers, diesel
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years old. Traditionally, preventive maintenance practices would have been based on inspection and replacement of wood poles as they deteriorated. During 1998 and 1999 a sample of Hydro's wood poles were tested and core samples taken to determine the residual concentration of preservatives. In about 60 	$ \begin{array}{c} 1\\2\\3\\4\\5\\6\\7\\8\\9\\10\\11\\12\\13\\14\\15\\16\\17\\18\\19\\20\end{array} $	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging equipment is our air blast circuit breakers. Hydro has 44 of these devices in excess of 35 years old. A major refurbishment program has been initiated to maintain these units in acceptable operating condition. These assets, as well as the power transformers, diesel generator sets and diesel plants referenced in
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years old. Traditionally, preventive maintenance practices would have been based on inspection and replacement of wood poles as they deteriorated. During 1998 and 1999 a sample of Hydro's wood poles were tested and core samples taken to determine the residual concentration of preservatives. In about 60 percent of the poles sampled preservative 	$ \begin{array}{c} 1\\2\\3\\4\\5\\6\\7\\8\\9\\10\\11\\12\\13\\14\\15\\16\\17\\18\\19\\20\\21\end{array} $	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging equipment is our air blast circuit breakers. Hydro has 44 of these devices in excess of 35 years old. A major refurbishment program has been initiated to maintain these units in acceptable operating condition. These assets, as well as the power transformers, diesel generator sets and diesel plants referenced in my evidence will require considerable
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years old. Traditionally, preventive maintenance practices would have been based on inspection and replacement of wood poles as they deteriorated. During 1998 and 1999 a sample of Hydro's wood poles were tested and core samples taken to determine the residual concentration of preservatives. In about 60 percent of the poles sampled preservative levels were at or below their recommended 	$ \begin{array}{c} 1\\2\\3\\4\\5\\6\\7\\8\\9\\10\\11\\12\\13\\14\\15\\16\\17\\18\\19\\20\\21\\22\end{array} $	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging equipment is our air blast circuit breakers. Hydro has 44 of these devices in excess of 35 years old. A major refurbishment program has been initiated to maintain these units in acceptable operating condition. These assets, as well as the power transformers, diesel generator sets and diesel plants referenced in my evidence will require considerable attention in the future.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years old. Traditionally, preventive maintenance practices would have been based on inspection and replacement of wood poles as they deteriorated. During 1998 and 1999 a sample of Hydro's wood poles were tested and core samples taken to determine the residual concentration of preservatives. In about 60 percent of the poles sampled preservative levels were at or below their recommended threshold level. As part of its 2003 	$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	 wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging equipment is our air blast circuit breakers. Hydro has 44 of these devices in excess of 35 years old. A major refurbishment program has been initiated to maintain these units in acceptable operating condition. These assets, as well as the power transformers, diesel generator sets and diesel plants referenced in my evidence will require considerable attention in the future. Q. Mr. Martin, the isolated diesel systems in the
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 my evidence. These are forecast at \$ 32 million in 2003 and \$32.6 million in 2004, a decrease of \$2.2 million from 2002 actuals. Q. Mr. Martin, you've indicated that one of your challenges was dealing with an aging asset base. What initiatives has TRO undertaken to address this issue? A. Within TRO one of our largest categories of assets is our 80,000 wood poles. Of these, Hydro has approximately 20,000, 26,000 poles currently in service on its high voltage transmission network. Approximately 35 percent of these are in excess of 30 years old. Traditionally, preventive maintenance practices would have been based on inspection and replacement of wood poles as they deteriorated. During 1998 and 1999 a sample of Hydro's wood poles were tested and core samples taken to determine the residual concentration of preservatives. In about 60 percent of the poles sampled preservative levels were at or below their recommended 	$ \begin{array}{c} 1\\2\\3\\4\\5\\6\\7\\8\\9\\10\\11\\12\\13\\14\\15\\16\\17\\18\\19\\20\\21\\22\end{array} $	wood transmission poles across the system. Core samples of approximately 150 will be analyzed to determine the residual concentration of preservatives. The results of this program and correlation with the testing completed in 1998 and 1999 will assist Hydro in developing a long-term strategy regarding its wood pole assets. Should the results of this program be positive from an asset life extension perspective, TRO will be recommending that its complete wood pole management program be capitalized. Another category with respect to aging equipment is our air blast circuit breakers. Hydro has 44 of these devices in excess of 35 years old. A major refurbishment program has been initiated to maintain these units in acceptable operating condition. These assets, as well as the power transformers, diesel generator sets and diesel plants referenced in my evidence will require considerable attention in the future.

Discoveries Unlimited Inc., Ph: (709)437-5028

	Page 97		Page 98
1 1 G	REENE, Q.C.:	1	
$\begin{vmatrix} 1 \\ 2 \end{vmatrix}$	your role in controlling the rural deficit?	$\begin{vmatrix} 1\\2 \end{vmatrix}$	
$\begin{vmatrix} 2\\ 3 \end{vmatrix}$	A. As explained by Mr. Wells and Mr. Roberts in	3	
4	their previous testimony, the rural deficit is	4	
5	governed by a number of factors including: the		
		5	
6	revenue derived from the rates charged to	6	1
7	customers; the allocation of assets through	7	1
8	the Cost of Service; and the cost of operating	8	
9	the various facilities. In July the	9	C
10	government gave direction to the Board on the	10	
11	rates for rural customers and so set the	11	
12	parameters for the revenue to be received.	12	
13	The Board, through its approval of the Cost of	13	
14	Service and the assignment of plant, also	14	
15	affects the magnitude of the rural deficit.	15	
16	For example, the decision by the Board in	16	
17	P.U.7 in 2002 to allocate the GNP transmission	17	•
18	to Hydro rural shifted significant costs from	18	
19	the common pool to Hydro rural and thus	19	e e
20	greatly impacted the magnitude of the rural	20	
21	deficit. In the 2001 hearing, based on the	21	
22	data at that time, the impact of this change	22	
23	was estimated to be approximately \$9 million.	23	
24	These two factors, the policy for rural rates	24	
25	and the assignment of assets in the Cost of	25	5 plants to replace inefficient incandescent
	Page 99		Page 100
1	lighting; the utilization of high pressure	1	1
2	sodium fixtures for street and area lighting	2	
3	to replace inefficient mercury vapour lamps;	3	
4	customer energy audits in conjunction with the	4	C I
5	conservation core; various demand side	5	yvind form and notantial annihizations in other
6			
1	management programs; and customer awareness	6	isolated sites. There is no impact on the
7	programs such as our current HYDROWISE	7	isolated sites. There is no impact on the 2004 revenue requirement as a result of this
8	programs such as our current HYDROWISE initiative.	7 8	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project.
8 9	programs such as our current HYDROWISE initiative.Q. Mr. Martin, Mr. Haynes testified about a 25	7 8 9	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr.
8 9 10	programs such as our current HYDROWISE initiative.Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island	7 8 9 10	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting
8 9 10 11	programs such as our current HYDROWISE initiative.Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being	7 8 9 10 11	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please
8 9 10 11 12	programs such as our current HYDROWISE initiative.Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro	7 8 9 10 11 12	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its
8 9 10 11 12 13	programs such as our current HYDROWISE initiative.Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy	7 8 9 10 11 12 13	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status?
8 9 10 11 12 13 14	programs such as our current HYDROWISE initiative.Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy project for the isolated systems?	7 8 9 10 11 12 13 14	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status? (11:30 a.m.)
8 9 10 11 12 13 14 15	 programs such as our current HYDROWISE initiative. Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy project for the isolated systems? A. Yes. Hydro has just recently entered into a 	7 8 9 10 11 12 13 14 15	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status? (11:30 a.m.) A. Yes. Acommittee comprised of our
8 9 10 11 12 13 14 15 16	 programs such as our current HYDROWISE initiative. Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy project for the isolated systems? A. Yes. Hydro has just recently entered into a contract with Frontier Power Systems for a 	7 8 9 10 11 12 13 14 15 16	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status? (11:30 a.m.) A. Yes. Acommittee comprised of our transportation asset manager and three labour
8 9 10 11 12 13 14 15 16 17	 programs such as our current HYDROWISE initiative. Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy project for the isolated systems? A. Yes. Hydro has just recently entered into a contract with Frontier Power Systems for a wind demonstration project at Ramea. Frontier 	7 8 9 10 11 12 13 14 15 16 17	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status? (11:30 a.m.) A. Yes. Acommittee comprised of our transportation asset manager and three labour managers was struck this year to complete a
8 9 10 11 12 13 14 15 16 17 18	 programs such as our current HYDROWISE initiative. Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy project for the isolated systems? A. Yes. Hydro has just recently entered into a contract with Frontier Power Systems for a wind demonstration project at Ramea. Frontier Power Systems will be constructing a wind farm 	7 8 9 10 11 12 13 14 15 16 17 18	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status? (11:30 a.m.) A. Yes. Acommittee comprised of our transportation asset manager and three labour managers was struck this year to complete a review of Hydro's on and off road vehicles.
8 9 10 11 12 13 14 15 16 17 18 19	 programs such as our current HYDROWISE initiative. Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy project for the isolated systems? A. Yes. Hydro has just recently entered into a contract with Frontier Power Systems for a wind demonstration project at Ramea. Frontier Power Systems will be constructing a wind farm at Ramea comprised of six 65 kilowatt wind 	7 8 9 10 11 12 13 14 15 16 17 18 19	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status? (11:30 a.m.) A. Yes. Acommittee comprised of our transportation asset manager and three labour managers was struck this year to complete a review of Hydro's on and off road vehicles. The committee was directed to analyze our
8 9 10 11 12 13 14 15 16 17 18 19 20	 programs such as our current HYDROWISE initiative. Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy project for the isolated systems? A. Yes. Hydro has just recently entered into a contract with Frontier Power Systems for a wind demonstration project at Ramea. Frontier Power Systems will be constructing a wind farm at Ramea comprised of six 65 kilowatt wind turbines with an estimated average annual 	7 8 9 10 11 12 13 14 15 16 17 18 19 20	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status? (11:30 a.m.) A. Yes. Acommittee comprised of our transportation asset manager and three labour managers was struck this year to complete a review of Hydro's on and off road vehicles. The committee was directed to analyze our current fleet and locateanalyze our present
8 9 10 11 12 13 14 15 16 17 18 19 20 21	 programs such as our current HYDROWISE initiative. Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy project for the isolated systems? A. Yes. Hydro has just recently entered into a contract with Frontier Power Systems for a wind demonstration project at Ramea. Frontier Power Systems will be constructing a wind farm at Ramea comprised of six 65 kilowatt wind turbines with an estimated average annual energy production of 750 megawatt hours. 	7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status? (11:30 a.m.) A. Yes. Acommittee comprised of our transportation asset manager and three labour managers was struck this year to complete a review of Hydro's on and off road vehicles. The committee was directed to analyze our current fleet and locateanalyze our present fleet by location and crew to identify minimum
8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 programs such as our current HYDROWISE initiative. Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy project for the isolated systems? A. Yes. Hydro has just recently entered into a contract with Frontier Power Systems for a wind demonstration project at Ramea. Frontier Power Systems will be constructing a wind farm at Ramea comprised of six 65 kilowatt wind turbines with an estimated average annual energy production of 750 megawatt hours. Hydro has contracted to purchase all the 	7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status? (11:30 a.m.) A. Yes. Acommittee comprised of our transportation asset manager and three labour managers was struck this year to complete a review of Hydro's on and off road vehicles. The committee was directed to analyze our current fleet and locateanalyze our present fleet by location and crew to identify minimum requirements for normal maintenance and
8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 programs such as our current HYDROWISE initiative. Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy project for the isolated systems? A. Yes. Hydro has just recently entered into a contract with Frontier Power Systems for a wind demonstration project at Ramea. Frontier Power Systems will be constructing a wind farm at Ramea comprised of six 65 kilowatt wind turbines with an estimated average annual energy production of 750 megawatt hours. Hydro has contracted to purchase all the energy produced subject to operating limits at 	7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status? (11:30 a.m.) A. Yes. Acommittee comprised of our transportation asset manager and three labour managers was struck this year to complete a review of Hydro's on and off road vehicles. The committee was directed to analyze our current fleet and locateanalyze our present fleet by location and crew to identify minimum requirements for normal maintenance and emergency response activities. The review was
8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 programs such as our current HYDROWISE initiative. Q. Mr. Martin, Mr. Haynes testified about a 25 megawatt wind project for the Island Interconnected System with the project being located on the Burin Peninsula. Has Hydro explored the potential of a wind energy project for the isolated systems? A. Yes. Hydro has just recently entered into a contract with Frontier Power Systems for a wind demonstration project at Ramea. Frontier Power Systems will be constructing a wind farm at Ramea comprised of six 65 kilowatt wind turbines with an estimated average annual energy production of 750 megawatt hours. Hydro has contracted to purchase all the 	7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 isolated sites. There is no impact on the 2004 revenue requirement as a result of this project. Q. At the recent 2004 capital budget hearing Mr. Reeves gave evidence that Hydro was conducting a review of its fleet. Would you please update the Board as to this review and its status? (11:30 a.m.) A. Yes. Acommittee comprised of our transportation asset manager and three labour managers was struck this year to complete a review of Hydro's on and off road vehicles. The committee was directed to analyze our current fleet and locateanalyze our present fleet by location and crew to identify minimum requirements for normal maintenance and emergency response activities. The review was to include the allocation of aerial devices

Discoveries Unlimited Inc., Ph: (709)437-5028

Octobel 24, 2005	wiulu-r age	e INL Hyuro s 2005 General Kate Application
Pa	ge 101	Page 102
1 MR. MARTIN:	1	on the Avalon Peninsula which had caused
2 available in moving toward multi-function	n 2	several extended blackouts. Similarly, the
3 material handling aerial devices in strategic	3	application of lightening arresters to TL-206,
4 locations. The committee is in the process of	f 4	one of our 230 kV lines feeding the Avalon
5 finalizing its review, including the potential	5	Peninsula from Bay d'Espoir, was proposed to
6 impact of the results of our RCM initiative.	6	mitigate a recurring problem with lightening
7 A presentation of these recommendations to	o 7	simultaneously tripping both lines east from
8 management for approval is anticipated befo	re 8	Bay d'Espoir. Amajor upgrade and partial
9 year end. While I am anticipating changes as	s 9	rerouting of our 69 kV line TL-220 feeding the
10 a result of this review, I am unable to	10	Conaigre Peninsula was completed to address
11 quantify them at this time.	11	numerous outages resulting from ice and wind
12 Q. Mr. Martin, another challenge you have	12	storms. Other programs had been initiated to
13 mentioned for your division is reliability.	13	remedy known defective equipment, such as the
14 Would you elaborate on that and describe so	me 14	COB insulator problem. Next year we will be
15 of the activities undertaken by TRO to addres		completing a major upgrade on TL-214, a 138 kV
16 reliability issues?	16	line feeding the Doyles-Port aux Basques
17 A. We continue to monitor, evaluate and take th		System. This is being done to correct
18 necessary steps to maintain and improve	18	multiple issues identified over the years as a
19 reliability where it is cost effective to do	19	result of salt spray contamination, wind
20 so. Normally, reliability improvement	20	loading and the COB insulator problem.
21 proposals are made in response to known		Projects and programs such as these targeted
22 problems. Examples of these include the \$4		at known specific problem areas must be
23 million Avalon upgrade project which wa		implemented as long as they are cost effective
24 implemented to address our experience with		if Hydro is to maintain a reasonable level of
25 loading conditions higher than design criteria		reliability of service to its customers.
	a 25	fendently of service to its edisterners.
	102	D 104
	lge 103	Page 104
1 Q. Thank you, Mr. Martin. That concludes n	ny 1	reporting. And from this we see that you have
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. 	ny 1 2	reporting. And from this we see that you have three managers and two directors reporting
 Q. Thank you, Mr. Martin. That concludes m direct examination of Mr. Martin. 3 CHAIRMAN: 	ny 1 2 3	reporting. And from this we see that you have three managers and two directors reporting directly to you?
 Q. Thank you, Mr. Martin. That concludes m direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, M 	Mr. 4	reporting. And from this we see that you have three managers and two directors reporting directly to you?A. Yes, that's correct.
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N 5 Fitzgerald. 	Ny 1 2 3 Mr. 4 5	reporting. And from this we see that you have three managers and two directors reporting directly to you?A. Yes, that's correct.Q. And in terms of these five departments are you
 Q. Thank you, Mr. Martin. That concludes m direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. 6 MR. FITZGERALD: 	ny 1 2 3 Mr. 4 5 6	reporting. And from this we see that you have three managers and two directors reporting directly to you?A. Yes, that's correct.Q. And in terms of these five departments are you responsible for TRO's operating and capital
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N 5 Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple 	ny 1 2 3 Mr. 4 5 6 of 7	reporting. And from this we see that you have three managers and two directors reporting directly to you?A. Yes, that's correct.Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety?
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N 5 Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. 	ny 1 2 3 Mr. 4 5 6 of 7 8	reporting. And from this we see that you have three managers and two directors reporting directly to you?A. Yes, that's correct.Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety?A. Yes, we are.
 Q. Thank you, Mr. Martin. That concludes m direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, M Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Get 	ny 1 2 Mr. 4 5 of 7 8 00d 9	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N 5 Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. 9 Browne will have some questions as well. Genoming, Mr. Martin. 	ny 1 2 3 Mr. 4 5 6 of 7 8 9 10	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO,
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N 5 Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. 	ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of 	Any 1 2 3 Mr. 4 5 6 of 7 8 ood 9 10 11 f 12	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N 5 Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Genoming, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 	ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11 f 12 of 13	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO?
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? 	ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11 f 12 of 13 14	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? A. That's correct. 	Any 1 2 3 Mr. 4 5 6 of 7 8 ood 9 10 11 f 12 of 13 14 15	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the objectives and strategies that had been to be
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Genoming, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? A. That's correct. Q. And prior to that your evidence indicates you 	ny 1 ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11 f 12 of 13 14 15 u 16	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the objectives and strategies that had been to be carried out by Mr. Reeves prior to his
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? A. That's correct. Q. And prior to that your evidence indicates you were director of engineering and rural 	ny 1 ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11 f 12 of 13 14 15 15 16 17	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the objectives and strategies that had been to be carried out by Mr. Reeves prior to his retirement. I think, as Mr. Haynes has noted
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? A. That's correct. Q. And prior to that your evidence indicates you were director of engineering and rural operations from 1996 to 2003? 	ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11 f 12 of 13 14 15 u 16 17 18	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the objectives and strategies that had been to be carried out by Mr. Reeves prior to his retirement. I think, as Mr. Haynes has noted previously, at the beginning of every year
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? A. That's correct. Q. And prior to that your evidence indicates you were director of engineering and rural operations from 1996 to 2003? A. That's correct. 	ny 1 ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11 f 12 of 13 14 15 u 16 17 18 19	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the objectives and strategies that had been to be carried out by Mr. Reeves prior to his retirement. I think, as Mr. Haynes has noted previously, at the beginning of every year based on Hydro's strategic plan there are
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? A. That's correct. Q. And prior to that your evidence indicates you were director of engineering and rural operations from 1996 to 2003? A. That's correct. Q. In that, in your prior position you reported 	Any 1 2 3 Mr. 4 5 6 of 7 8 ood 9 10 11 f 12 of 13 14 15 u 16 17 18 19 20	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the objectives and strategies that had been to be carried out by Mr. Reeves prior to his retirement. I think, as Mr. Haynes has noted previously, at the beginning of every year based on Hydro's strategic plan there are various objectives deposed for divisions that
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Genoming, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? A. That's correct. Q. And prior to that your evidence indicates you were director of engineering and rural operations from 1996 to 2003? A. That's correct. Q. In that, in your prior position you reported directly to Mr. David Reeves? 	ny 1 ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11 f 12 of 13 14 15 u 16 17 18 19 20 21 21	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the objectives and strategies that had been to be carried out by Mr. Reeves prior to his retirement. I think, as Mr. Haynes has noted previously, at the beginning of every year based on Hydro's strategic plan there are various objectives deposed for divisions that tie into the strategic plan for the
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? A. That's correct. Q. And prior to that your evidence indicates you were director of engineering and rural operations from 1996 to 2003? A. That's correct. Q. In that, in your prior position you reported directly to Mr. David Reeves? A. I did. 	ny 1 ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11 f 12 of 13 14 15 u 16 17 18 19 20 21 22	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the objectives and strategies that had been to be carried out by Mr. Reeves prior to his retirement. I think, as Mr. Haynes has noted previously, at the beginning of every year based on Hydro's strategic plan there are various objectives deposed for divisions that tie into the strategic plan for the corporation and my objectives for the
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? A. That's correct. Q. And prior to that your evidence indicates you were director of engineering and rural operations from 1996 to 2003? A. That's correct. Q. In that, in your prior position you reported directly to Mr. David Reeves? A. I did. Q. If we could go just briefly to Schedule 1 of 	ny 1 ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11 f 12 of 13 14 15 u 16 17 18 19 20 21 22 23	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the objectives and strategies that had been to be carried out by Mr. Reeves prior to his retirement. I think, as Mr. Haynes has noted previously, at the beginning of every year based on Hydro's strategic plan there are various objectives deposed for divisions that tie into the strategic plan for the corporation and my objectives for the remainder of this year are to implement those
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, M Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? A. That's correct. Q. And prior to that your evidence indicates you were director of engineering and rural operations from 1996 to 2003? A. That's correct. Q. In that, in your prior position you reported directly to Mr. David Reeves? A. I did. Q. If we could go just briefly to Schedule 1 of your evidence, please? And this is an 	ny 1 ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11 f 12 of 13 14 15 u 16 17 18 19 20 21 22 23 24	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the objectives and strategies that had been to be carried out by Mr. Reeves prior to his retirement. I think, as Mr. Haynes has noted previously, at the beginning of every year based on Hydro's strategic plan there are various objectives deposed for divisions that tie into the strategic plan for the corporation and my objectives for the remainder of this year are to implement those are per what Mr. Reeves would have done had he
 Q. Thank you, Mr. Martin. That concludes n direct examination of Mr. Martin. CHAIRMAN: Q. Thank you, Ms. Greene. Good morning, N Fitzgerald. MR. FITZGERALD: Q. Good morning, Chairman. I have a couple areas to discuss with Mr. Martin, but Mr. Browne will have some questions as well. Go morning, Mr. Martin. A. Good morning. Q. Mr. Martin, you became vice-president of transmission and rural operations in August of 2003? A. That's correct. Q. And prior to that your evidence indicates you were director of engineering and rural operations from 1996 to 2003? A. That's correct. Q. In that, in your prior position you reported directly to Mr. David Reeves? A. I did. Q. If we could go just briefly to Schedule 1 of 	ny 1 ny 1 2 3 Mr. 4 5 6 of 7 8 9 10 11 f 12 of 13 14 15 u 16 17 18 19 20 21 22 23 24	 reporting. And from this we see that you have three managers and two directors reporting directly to you? A. Yes, that's correct. Q. And in terms of these five departments are you responsible for TRO's operating and capital budgets in their entirety? A. Yes, we are. Q. When you took over from Mr. Reeves in August of 2003 and you became vice-president of TRO, were you given any memorandum or any particular instruction or any direction as to particular specific areas of concern in TRO? A. No, nothing more than a reaffirmation of the objectives and strategies that had been to be carried out by Mr. Reeves prior to his retirement. I think, as Mr. Haynes has noted previously, at the beginning of every year based on Hydro's strategic plan there are various objectives deposed for divisions that tie into the strategic plan for the corporation and my objectives for the remainder of this year are to implement those

Discoveries Unlimited Inc., Ph: (709)437-5028

Multi-PageTMNL Hydro's 2003 General Rate Application

Page 1051not left.2Q. Okay. And were key performance indicators3discussed this year with you?4A. Oh, absolutely, yes, they were. Things such5as safety performance, environmental6performance, SAIDI and SAIFI reliability7performance factors, cost control, all of8these things were certainly addressed with me8these things were certainly addressed with me	nction of the system nich is in the production vices is in the finance ion and maintenance
2Q. Okay. And were key performance indicators2A. The planning, the actual3discussed this year with you?3isolated systems is a fun4A. Oh, absolutely, yes, they were. Things such4planning department wh5as safety performance, environmental5division. Customer serv6performance, SAIDI and SAIFI reliability6division. It's the operation7performance factors, cost control, all of7of the isolated facilities8these things were certainly addressed with me8direct responsibility.	nction of the system nich is in the production vices is in the finance ion and maintenance
3discussed this year with you?3isolated systems is a fun4A. Oh, absolutely, yes, they were. Things such4planning department wh5as safety performance, environmental5division. Customer serv6performance, SAIDI and SAIFI reliability6division. It's the operation7performance factors, cost control, all of7of the isolated facilities8these things were certainly addressed with me8direct responsibility.	nction of the system nich is in the production vices is in the finance ion and maintenance
4A. Oh, absolutely, yes, they were. Things such4planning department wh5as safety performance, environmental5division. Customer serv6performance, SAIDI and SAIFI reliability6division. It's the operation7performance factors, cost control, all of7of the isolated facilities8these things were certainly addressed with me8direct responsibility.	hich is in the production vices is in the finance ion and maintenance
5as safety performance, environmental5division. Customer served6performance, SAIDI and SAIFI reliability6division. It's the operation7performance factors, cost control, all of7of the isolated facilities8these things were certainly addressed with me8direct responsibility.	vices is in the finance ion and maintenance
6performance, SAIDI and SAIFI reliability6division. It's the operation7performance factors, cost control, all of7of the isolated facilities8these things were certainly addressed with me8direct responsibility.	ion and maintenance
7performance factors, cost control, all of7of the isolated facilities8these things were certainly addressed with me8direct responsibility.	
8 these things were certainly addressed with me 8 direct responsibility.	that come under my
9 when I assumed that position. 9 Q. I'm sorry, your last answ	
10 Q. Okay. If I could just turn quickly to page 1 10 A. The operation and main	
11 of your evidence? And here in line 6 to 18 11 systems are my responsi	-
12 you describe generally rural operations. And 12 Q. So operation, that would	dn't include metering
13I want to just focus briefly on the isolated13and billing then?	
14systems.14A. We are involved with	
15A. Um-hm.15system representatives in	e
16Q. And TRO, I take it, provides all aspects of16isolated communities.	
17 service for the isolated systems, is that 17 functions of those multi-	
18 correct? 18 Q. So just if I can go ba	
19A. That's correct.19briefly, the flow chart?	
20 Q. And that includes planning operations, asset 20 departments or regions	
21management, customer service?21responsible for the isola	-
22 A. I have to pause before I speak. No, we do 22 A. Each region has its ow	
23 not. 23 systems that the region	-
24Q. You do not?24responsible for. The r	5
25A. I'll retract my first answer.25central is responsible for	r all those isolated
Page 107	Page 108
1 systems on the Island of Newfoundland, 1 by the appropriate region	
2 basically the south coast as well as St. 2 services required or env	
3 Brendan's and Little Bay Islands. The 3 required would be co	-
4 regional manager in the north is responsible 4 particular work order. A	
5 for those diesel plants on the south coast of 5 to that particularit can	to that
6 Labrador and the regional manager in Labrador 6 particular plant, if you w	
7 is responsible for those from, I guess you 7 Q. And on the ground how	
8 would call it the northwestnortheast coast 8 A. It's tracked through ou	irwell, we have a
9 of Labrador. 9 series of account codes	that people charge
10 Q. So do these departments then specifically 10 their time to, and then	
11distinguish cost and services for supply to11system keeps track of al	
12the isolated systems?12sheets are completed and	-
13A. Those costs can be arrived at. With regards13so on, they're entered in	
14 to the establishment of our business units, 14 system and they're track	-
15 no. The business units are set up by isolated 15 Q. And specifically then he	
16 systems per area, if you will. In other 16 administrative costs be	determined for the
17 words, there's an isolatedthere's a business 17 purpose of calculating the	he costs of supply to
18 unit looking at the isolated systems for 18 the isolated systems?	
19central, northern and Labrador.19A. I believe things like over	erhead and that are
20 Q. Okay. So each of these departments then, if 20 costed out at the end of	
21 they're to procure services from another 21 percentage basis as par	rt of the Cost of
22 department, that is recorded in a business 22 Service allocation.	
23 unit or how does that work? 23 Q. A percentage basis. A	And that information
24 A. Yes, if it's a significant piece of work, 24 comes from each of thes	se five departments?
25 typically there would be a work order raised 25 MR. MARTIN:	

Multi-PageTMNL Hydro's 2003 General Rate Application

Octob	er 24, 2003 Mult	I-Pa	ge NL Hydro's 2003 General Rate Application
	Page 109		Page 110
1 A	A. The information basically comes from the	1	attended staffing. Some operators need not be
2	finance and the Cost of Service group, as I	2	present at the plant for scheduled intervals.
3	understand it, in the finance division.	3	I guess the question arises what are they
4 0). The skill sets of, been call that, of staff	4	doing for the rest of the working day?
5	involved in the supply of the isolated system,	5	A. In those facilities where we have two full-
6	how are they different from those required to	6	time DSRs, they have a work schedule that
7	staff supply andin the interconnected	7	covers 80 hours in a two week period that
8	system, are there different set of skills?	8	they're expected to be at the plant, I'll say
	A. With respect to those the DSRs that actually	9	from eight to five, okay. At other times
10	work in the isolated communities, yes, there's	10	during the day they are on call, one of those
11	a different skill set from, I'll say those	11	individuals is on call and if something is
12	that obviously operate as line workers and so	12	required to be done or if there is an outage
12	on, on the Interconnected system. The DSRs	12	in the system or whatever, they respond to
13	were required to have their high school	13	that and try to remedy the problem.
14	equivalency and then they went through	14	Q. Okay. So when I read "semi-attended
			- •
16	specific training with regards to the tasks	16	staffing", that doesn't mean four hour days,
17	that they were expected to carry out asunder	17	that means eight hour days and off normal hours there is -
18	that new designation or classification of	18	
19	diesel system representatives. So they are a	19	A. There is one of them on call.
20	unique classification of individuals within	20	Q. Okay.
21	Hydro, from that perspective.	21	A. That's correct, yeah.
). And just as a sub-note to that, in your	22	Q. All right.
23	evidence at page 2 you indicate thatpage 2,	23	A. That means the plant is not attended 24 hours
24	lines 12 to 17. You indicate that many of the	24	a day.
25	isolated diesel plants now require only semi-	25	Q. I understand.
	Page 111		Page 112
1	A. As they were at one time.	1	have performance indicators related to
2 0	Q. Have the specific costs associated with	2	minimizing the size of the rural deficit?
3	supplying the isolated systems ever been	3	A. No, it does not.
4	audited?	4	Q. Is there any bonus or incentive received by
5 A	A. I honestly don't know the answer to that.	5	you or any of youror staff based on your
6 (Q. Okay. Do you know if the rural deficit	6	effectiveness in reducing the rural deficit?
7	calculation has ever been audited by the	7	A. Not specifically the rural deficit. As I
8	Board's financial consultant?	8	mentioned in my direct evidence, our focus in
9 A	A. I would certainly assume that it has, but	9	TRO is one of trying to minimize all costs.
10	again, if you're looking for fact, I don't	10	And as part of the executive there is a small
11	know that for a fact.	11	incentive program within Hydro and part of it
12 Q	2. And can we find that out?	12	is tied to performance, financial performance.
13 A	A. Certainly. I would think so.	13	Q. Would it make sense for Hydro to have an
	EENE, Q.C.:	14	independent department solely responsible for
	2. Grant Thornton, when they do their review,	15	the isolated systems to more clearly track and
16	they do the review of all of Hydro's costs.	16	keep the expenses transparent?
17	And I guess that's something that we can	17	A. This question was raised a couple of times in
18	pursue with Mr. Brushett when he's a witness.	18	RFIs and we're responded, I think, and I would
	FITZGERALD:	19	reiterate that we don't think it would. We
	Q. Okay.	20	think the current structure within Hydro and
1	EENE, Q.C.:	20	the synergies which we bring to it from a
1	2. Mr. Roberts would have been a witness to ask	22	management, engineering, environmental
23	that, as well. Mr. Brushett, I assume.	22	perspective provides the least cost service
	. FITZGERALD:	23	for the isolated communities.
	2. Well, I'll wait for Mr. Brushett. Does Hydro		MR. FITZGERALD:
1-2 5	χ . χ on, Γ if wait for η if. Drushell. Does fryuld	125 1	III. I II LUEIALD.

Multi-PageTMNL Hydro's 2003 General Rate Application

	ober 24, 2003 Multi	-r a	ge NL Hydro's 2003 General Rate Application
	Page 113		Page 114
1 (11:45 a.m.)	1	the Granite Canal project and so on, there's
2	Q. Moving from that, then, Mr. Martin. If I	2	been a significant increase in the use of
3	could direct you to NP-8, NLH, please?	3	vehicles and the helicopter, and that will
4	Particularly page 5 of 5, Mr. O'Reilly. And	4	decrease in 2004 as a result of our capital
5	this is an explanation overall of expenses	5	program being reduced.
6	change in TRO and the various Hydro	6	Q. Does that infer then that you're going to have
7	departments over the last couple of years.	7	excess vehicles that aren't going to be used
8	A. Um-hm.	8	next year, is that -
9	Q. And of course, I'm going to focus on the bad	9	A. No, I don't think it's fair to make that
10	stuff, not the good stuff.	10	inference. I mean, we are going to have
11	A. I may redirect you to the good stuff, if you	11	additional projects going on next year. The
12	don't mind.	12	other important thing to realize here is that
13	Q. Just the paragraph D there, you have	13	it's not only specific vehicles that are
14	transportation expenses in 2004 forecast	14	bought specifically for capital projects that
15	higher due to a decrease in the utilization of	15	are included here. Hydro, when its inspectors
16	vehicles on capital projects. Could you	16	from the distribution crews and so on go out
17	expand on that answer a bit, please?	17	to inspect the transmission line or a
18	A. Yes. As part of our ongoing capital program	18	distribution line after it's been upgraded,
19	various Hydro vehicles, the helicopter	19	their vehicle that they use for routine
20	services and so on, whenever they're used on a	20	maintenance and operational functions, those
21	specific capital project, those costs are	21	vehicles are then costed and expensed to those
22	expensed to that particular capital project.	22	capital projects. Commissioning crews in our
23	What we've seen in previous years, 2001, 2 and	23	protection control department, when they go
24	3 with the significant level of capital	24	out to commission a new facility as part of a
25	program that we've had, the Avalon upgrade,	25	capital project, their vehicles are expensed
	Page 115		Page 116
1	to that capital project and so on. So it's	1	all. By example, if we reduce a line crew
2	not only specific vehicles that may have been	2	from four people to three people, we still
3	purchased for a capital project that's	3	need the line truck. If we reduce a
4	included here, it's also the regular vehicles	4	protection and control group, commissioning
5	that we use during our normal operating and	5	group from three people to two people, we
6	maintenance functions that are expensed to	6	still need the van. If somebody in IS and T
7	capital projects.	7	eliminates a technician's position or
8	Q. Okay. So if I look at Schedule 5 appended to	8	whatever, it doesn't necessarily mean that
9	your pre-filed evidence, and transportation	9	there's going to be a corresponding reduction
10	line 27, which is a large percentage of	10	in vehicles. You still need the vehicle,
11	Hydro's overall transportation operating	11	those that are left still need the vehicles to
12	expense, is that correct?	12	carry out their work.
13	A. That is Hydro's transportation operating	13	Q. Okay. In the case of a capital project, and
14	expense.	14	I'm going to simplify this, youit stands to
15	Q. In its entirety. We see that there is an	15	reason that you would have to requisition more
16	increase, 2004, as you just mentioned and as	16	vehicles, obviously, because you have more
17	you mentioned in paragraph D of NP No. 8. But	17	activity?
18	earlier in your testimony this morning on	18	A. During major projects like the Granite Canal
19	direct you'd indicated that you've reduced	19	there were no doubt vehicles requisitioned
20	your staff from 1999 I think you said 412	20	specifically for that project. But I think we
21	individuals in 1999, now you're down to 349.	21	need to point out as well that there's not
22	The transportation expense has not reduced in	22	necessarily vehicles bought every year for
23	step with that. Is it fair to infer that	23	capital projects necessarily. When the
24	there should have been?	24	project is finished, the vehicle that we used
25	A. No, I don't think that's a fair inference at	25 N	MR. MARTIN:

	Page 117		Page 118
1	on that project, if they're of use on a	1	Q. Okay. And is that conclusion, is that arrived
2	project that's coming up the following year,	2	at in house or did you retain a consultant for
3	they are used on that project.	3	that, did you get independent advice on that?
4	Q. Okay. In the 2001 hearing there was a	4	A. No. That is done completely in house.
5	discussion regarding the option of leasing	5	Q. In house?
6	versus purchasing vehicles to perhaps match	6	A. We do those analyses ourselves.
7	the lifespan of a capital budget project. And	7	Q. Okay. And which department would have done
8	I think at the time Mr. Reeves indicated	8	that?
9	positively that Hydro was looking into that	9	A. The transportation asset management
10	option. Did that ever pan out?	10	department.
11	A. Yes. My understanding is that before we buy a	11	Q. And that's within your bailiwick?
12	vehicle every requirement for a vehicle is	12	A. That is, yeah.
13	analyzed with regards to whether or not it	13	Q. And is there a particular person who has been
14	would be least cost to buy it or lease it, and	14	designated to do that measure or to study that
15	invariably it comes out that we buy. And I	15	issue?
16	don't think this is uncommon across the	16	A. The particular individual for carrying that
17	industry. I know I understand the Provincial	17	out is the transportation asset manager
18	Government is in the throws of a complete	18	himself.
19	vehicle review. They've come to the same	19	Q. And that's Mr. Brinston, I believe, is it?
20	conclusion, that looking at leasing versus	20	A. Yes.
20	purchasing for the type of environment we're	21	Q. So the conclusion is then that the lease
22	working in, it comes out always thatat least	22	option for vehicles would likely never be
23	it has to date, that these analyses indicate	22	exercised?
23	that the purchase option is the least cost	23	A. No. I guess what I said was that every time
24	option.	25	there's a requirement for a vehicle, we don't
25	[*]	23	Page 120
	Page 119		Page 120
1 1	assume that the analysis is going to some out	1	-
1	assume that the analysis is going to come out	1	and the environmental consultant. That
2	the same as the last time. We do a separate	2	and the environmental consultant. That explains the increase there?
2 3	the same as the last time. We do a separate analysis for every vehicle. And the record to	2 3	and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes.
2 3 4	the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's	2 3 4	and the environmental consultant. That explains the increase there?A. That's the bulk of it, yes.Q. Okay. Then when we look at 2004 forecast, it
2 3 4 5	the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective	2 3 4 5	and the environmental consultant. That explains the increase there?A. That's the bulk of it, yes.Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but
2 3 4 5 6	the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We	2 3 4 5 6	and the environmental consultant. That explains the increase there?A. That's the bulk of it, yes.Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual.
2 3 4 5 6 7	the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on	2 3 4 5 6 7	and the environmental consultant. That explains the increase there?A. That's the bulk of it, yes.Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect
2 3 4 5 6 7 8	the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future.	2 3 4 5 6 7 8	and the environmental consultant. That explains the increase there?A. That's the bulk of it, yes.Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of
2 3 4 5 6 7 8 9	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to 	2 3 4 5 6 7 8 9	and the environmental consultant. That explains the increase there?A. That's the bulk of it, yes.Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department?
2 3 4 5 6 7 8 9 10	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional 	2 3 4 5 6 7 8 9 10	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the
2 3 4 5 6 7 8 9 10 11	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast 	2 3 4 5 6 7 8 9 10 11	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the
2 3 4 5 6 7 8 9 10 11 12	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for 	2 3 4 5 6 7 8 9 10 11 12	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of
2 3 4 5 6 7 8 9 10 11 12 13	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a 	2 3 4 5 6 7 8 9 10 11 12 13	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the
2 3 4 5 6 7 8 9 10 11 12 13 14	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a consultant to assess and report on liability. 	2 3 4 5 6 7 8 9 10 11 12 13 14	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the previous years numbers, but I think that the
2 3 4 5 6 7 8 9 10 11 12 13 14 15	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a consultant to assess and report on liability. Reduction in 2004 is due to completion of the 	2 3 4 5 6 7 8 9 10 11 12 13 14 15	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the previous years numbers, but I think that the \$300,000.00 range is probably a reasonable
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a consultant to assess and report on liability. Reduction in 2004 is due to completion of the Reliability Study. After I read that just 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the previous years numbers, but I think that the \$300,000.00 range is probably a reasonable benchmark, if you will. There may be
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a consultant to assess and report on liability. Reduction in 2004 is due to completion of the Reliability Study. After I read that just looking at Schedule 5 again, jump back there, 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the previous years numbers, but I think that the \$300,000.00 range is probably a reasonable benchmark, if you will. There may be circumstances that develop over time where
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a consultant to assess and report on liability. Reduction in 2004 is due to completion of the Reliability Study. After I read that just looking at Schedule 5 again, jump back there, Mr. O'Reilly. At line 22. Professional 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the previous years numbers, but I think that the \$300,000.00 range is probably a reasonable benchmark, if you will. There may be circumstances that develop over time where that number will increase for various reasons,
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a consultant to assess and report on liability. Reduction in 2004 is due to completion of the Reliability Study. After I read that just looking at Schedule 5 again, jump back there, Mr. O'Reilly. At line 22. Professional services in the 2002 test year projected to be 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the previous years numbers, but I think that the \$300,000.00 range is probably a reasonable benchmark, if you will. There may be circumstances that develop over time where that number will increase for various reasons, such as the GNP study. There may be
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a consultant to assess and report on liability. Reduction in 2004 is due to completion of the Reliability Study. After I read that just looking at Schedule 5 again, jump back there, Mr. O'Reilly. At line 22. Professional services in the 2002 test year projected to be 335,000, the actual was only 241. That's 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the previous years numbers, but I think that the \$300,000.00 range is probably a reasonable benchmark, if you will. There may be circumstances that develop over time where that number will increase for various reasons, such as the GNP study. There may be opportunities in the future to cut that
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a consultant to assess and report on liability. Reduction in 2004 is due to completion of the Reliability Study. After I read that just looking at Schedule 5 again, jump back there, Mr. O'Reilly. At line 22. Professional services in the 2002 test year projected to be 335,000, the actual was only 241. That's correct? 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the previous years numbers, but I think that the \$300,000.00 range is probably a reasonable benchmark, if you will. There may be circumstances that develop over time where that number will increase for various reasons, such as the GNP study. There may be opportunities in the future to cut that number. I can assure you it will be only the
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a consultant to assess and report on liability. Reduction in 2004 is due to completion of the Reliability Study. After I read that just looking at Schedule 5 again, jump back there, Mr. O'Reilly. At line 22. Professional services in the 2002 test year projected to be 335,000, the actual was only 241. That's correct? A. That's correct. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the previous years numbers, but I think that the \$300,000.00 range is probably a reasonable benchmark, if you will. There may be circumstances that develop over time where that number will increase for various reasons, such as the GNP study. There may be opportunities in the future to cut that number. I can assure you it will be only the number that we need to effectively carry out
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a consultant to assess and report on liability. Reduction in 2004 is due to completion of the Reliability Study. After I read that just looking at Schedule 5 again, jump back there, Mr. O'Reilly. At line 22. Professional services in the 2002 test year projected to be 335,000, the actual was only 241. That's correct? A. That's correct. Q. Yeah. Then what we have as the 2003 estimate 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the previous years numbers, but I think that the \$300,000.00 range is probably a reasonable benchmark, if you will. There may be circumstances that develop over time where that number will increase for various reasons, such as the GNP study. There may be opportunities in the future to cut that number. I can assure you it will be only the number that we need to effectively carry out our business.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 the same as the last time. We do a separate analysis for every vehicle. And the record to date has indicated that in each instance it's been more appropriate and more cost effective to purchase a vehicle rather than lease. We will continue to do those analyses on a one on one basis in the foreseeable future. Q. If I could direct you now, Mr. Martin, back to NP No. 8, NLH? This paragraph G, professional services. Professional services are forecast to be higher in 2003 due to requirement for specialized internal auditors and for a consultant to assess and report on liability. Reduction in 2004 is due to completion of the Reliability Study. After I read that just looking at Schedule 5 again, jump back there, Mr. O'Reilly. At line 22. Professional services in the 2002 test year projected to be 335,000, the actual was only 241. That's correct? A. That's correct. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	 and the environmental consultant. That explains the increase there? A. That's the bulk of it, yes. Q. Okay. Then when we look at 2004 forecast, it reduces from 443 and goes down to 375, but it's considerably more than the 2002 actual. Is this the new set point for what you expect professional services to be in the range of \$375,000 in your department? A. I'm reluctant to say that's going to be the number. I would expect that certainly in the short term, it's going to be in that order of magnitude. I don't have the benefit of the previous years numbers, but I think that the \$300,000.00 range is probably a reasonable benchmark, if you will. There may be circumstances that develop over time where that number will increase for various reasons, such as the GNP study. There may be opportunities in the future to cut that number. I can assure you it will be only the number that we need to effectively carry out

Multi-PageTMNL Hydro's 2003 General Rate Application

October 24, 2003 Multi-Pa			age ⁴⁴⁸ NL Hydro's 2003 General Rate Application
	Page 121		Page 122
1	again, just curiosity really, there was an	1	reaction, it's a problem that's there, we know
2	increase in employee expenses for the	2	it's there, we know what the problem is and
3	provision of newly required personal	3	then we take the necessary steps to bring
4	protective equipment. What is that?	4	forward a proposal to remedy that particular
5	A. That reference was made to the fact that we	5	problem.
6	provided our maintenance people with fire	6	Q. And on these particular problems, are you
7	retardant clothing.	7	required to justify these before the Board?
8	Q. If I can turn now, Mr. Martin, to page 15 of	8	A. Oh yes, all of these capital projects are
9	your evidence, please, page 15, line 7 to 11.	9	fully justified by the each and before the
10	A. Yes.	10	Public Utilities Board.
11	Q. And here you indicate, I'm just paraphrasing	11	Q. And with that comes a projected reliability
12	that Hydro has completed several upgrade	12	improvement?
13	projects on the interconnected rural systems	13	A. I don't think per se we have necessarily been
14	to improve reliability at a total cost of 3.2	14	doing that at the distribution level. When we
15	million dollars. And my question is, the	15	brought forward major projects like the Avalon
16	criteria that Hydro considers when deciding if	16	upgrade, the lightening arrestor project, the
17	a distribution system upgrade should be	17	TL 220 project and other major initiatives on
18	undertaken for reliability reasons?	18	the bulk electrical system. They've typically
19	A. As I mentioned in my direct by Ms. Greene,	19	been backed up with reports, engineering
20	generally what we do is try to look at problem	20	reports that demonstrate the past performance
21	areas. If we know we have an insulator	21	and if we can do what we call a what if
22	problem that's causing us performance issues	22	analysis, to try and show what improvements
23	on a specific distribution line and they are	23	there would be, they are contained in those
24	recurring problems; it's not just a one of	24	reports. On the distribution side, I don't
25	situation and we go through a knee jerk	25	think, in the past, that we've been doing
	Page 123		Page 124
1	those or in that way specifically. We	1	before the historical record, if you will,
2	indicate perhaps what the SAIDI and SAIFI was	2	what would have been the SAIDIs and SAIFIS?
3	on the particular feeder or distribution	3	We can try to give at least some indication of
4	system and that we can significantly improve	4	what the improvement might be expected to be.
5	it or at least, we expect to significantly	5	Now, having said that, I need to caution you
6	improve it for that particular problem by	6	that if we fix something for a lightening
7	implementing this proposal.	7	arrestor problem, I'm sorry, for an insulator
8	Q. And these indicators are brought to the	8	problem, the next year we'll be attacked by
9	attention of the Board post improvement? A. No.	9	lightening or ice or wind or something else and it may drive the numbers out of whack
10 11	A. No. Q. They're not?	10 11	again. But I think we can certainly do
11	A. No, as I mentioned, generally they're not. We	11	something in that area to improve the
12	can certainly do that, I mean, I think one of	12	reporting of those types of projects.
13	the issues that's come out of the RFIs is the		(12:00 p.m.)
15	justification and how can we give the Board	15	Q. Okay. So, barring those extraordinary events
16	some level of comfort that what we're doing	16	though, you believe there would be some
17	should have some significant benefit. And I	17	usefulness to providing that type of
18	think one of the things we could look at doing	18	information following an approval and its
19	is, again, what I call is what if analysis.	19	actual execution?
20	Whereby, if we're bringing forward a proposal	20	A. No, not an approval. As part of the approval
21	to upgrade a distribution system and we know	21	process, to try to demonstrate to the Board
22	what the historic SAIDIs and SAIFIs are, what	22	what we would hope to accomplish or what could
23	we do then is go back and look at what the	23	be expected to be accomplished by implementing
24	causes were, we can fix those problems. And	24	this particular proposal.
1-7	·	1	
1 / 4	causes were, we can fix mose problems. And	124	uns particular proposal.

Multi-PageTMNL Hydro's 2003 General Rate Application

	UDEI 24, 2003 IVIUIU		ge NL flyuro s 2005 General Kate Application
	Page 125		Page 126
1	Q. And that's a positive implementation that	1	engineering department to review the content
2	you're suggesting that on a go-forward basis	2	of the report, the recommendations of the
3	that that's what you're considering?	3	report. And we are currently looking at what,
4	A. That is certainly something that if the Board	4	if anything, can be done to implement the
5	thought that would be of benefit to it, we've	5	recommendations that came out of the report.
6	discussed it internally within the engineering	6	Some of the things that were in the report, I
7	groups and TRO and it's something we're	7	should add, had already been implemented or in
8	certainly prepared to try and accommodate,	8	the process of being implemented. Could you
9	certainly.	9	give me that IC reference again, please, Mr.
10	Q. Thank you, Mr. Martin. That's mercifully	10	Browne? I have it, thank you.
11	brief, Mr. Chairman. I defer now to Mr.	11	Q. In any case, the report on page 5-14 makes
12	Browne.	12	reference to the fact that St. Anthony
	CHAIRMAN:	12	customers experience the highest number of
14	Q. Thank you, Mr. Fitzgerald. Good afternoon,	14	customer interruptions amounting to 34.1
14	Mr. Browne?	15	percent in the GNP north area. If the problem
			is there in St. Anthony, what has Hydro
	BROWNE, Q.C.:	16	
17	Q. Mr. Chairman. Mr. Martin, the Hydro	17	planned to alleviate the problems experienced
18	commissioned a study on the system performance review of the Great Northern Peninsula as	18	in St. Anthony?
19		19	A. As I mentioned in answer to your previous
20	evident from IC-231. And that system	20	question, there were a couple of things that
21	performance review you received in June 2003.	21	came out of the recommendations of the report
22	Following receipt of that, what action has	22	including a review of the possible application
23	Hydro taken?	23	of lightening arrestors to TL 241 which again,
24	A. Hydro has obviously reviewed the report.	24	is part of the backbone 138 kV system feeding
25	We've set up an internal team within the TRO	25	the Northern Peninsula. We are certainly
	Page 127		Page 128
1	going to look at that to see what, if	1	St. Anthony with operators available. We have
2	anything, can be done. I can report to the	2	line crews stationed in the area. We had an
3	Board that the preliminary indications are	3	emergency response, a call out management
4	that there are no specific areas where there	4	program set up. The folks in the System
5	is a high concentration of lightening activity	5	Operations Department have all the phone
6	along that particular line, as referenced from	6	numbers of all the supervisors and operators
7	our lightening tracking system that we have	7	that may need to be called to respond to a
8	available to us. There seems to be one or two	8	situation. So, I thinkI don't have the
9	specific areas where there might be a small	9	detail here now, but I can assure you right
10	increase in the incidents of lightening. We	10	now that there are emergency response
11	are not, at this particular point in time,	11	procedures with phone numbers and names in
12	planning on taking any specific action. We	12	place in the event of an emergency on the
13	don't have enough data to justify bringing any	13	Northern Peninsula, anywhere on the Northern
14	of these forward, but we are going to continue	14	Peninsula for that matter.
15	to monitor that. And if and when we can	15	Q. There on the Peninsula itself, do you have
16	identify some specific proposal with regards	16	access to portable diesel generation there?
17	to improving reliability there, as long,	17	A. I believe, and I stand to be corrected at
18	again, as it's cost effective, we will be	18	this, I believe one of the units at the St.
19	bringing things like that forward.	19	Anthony diesel plant is a mobile unit. It's
20	Q. What emergency plans are in place for an area	20	really set up as part of the facility, but it
21	like the Great Northern Peninsula when	21	could, if it had to be, demobilized. I think-
22	electricity is lost from the grid?	22	-to answer your question in the context of
23	A. You mean like in the St. Anthony area?	23	which you're putting it, I would have to say
24	Q. Yes.	24	now, we don't have any mobile generation up
25	A. We have the diesel plant there, obviously, at	25	MR. MARTIN:

Multi-PageTMNL Hydro's 2003 General Rate Application

	ober 24, 2005 Multi	-rag	ge NL Hydro's 2003 General Rate Application
	Page 129		Page 130
1	there that could quickly respond to a problem	1	have any mobile units that are available, I'll
2	in some small community, no.	2	say, at a depot somewhere either on the Island
3	Q. And why is that?	3	or in Labrador that we could dispatch to an
4	A. I think again, it comes back to the balance of	4	area in the case of an emergency.
5	cost versus reliability. I mean, where do we	5	Q. Would there be a problem dispatching a
6	draw the line? Where do we put this mobile	6	portable generating unit on the Northern
7	generation? If we put it attake a	7	Peninsula in a storm situation in any case?
8	communityRocky Harbour, why wouldn't the	8	A. I think it would depend on the magnitude of
9	folks in Wiltondale expect to get one? Why	9	the storm. I'm sure if we had units
10	wouldn't the folks in Burgeo expect to have	10	available, we could, under some reasonable
11	it? I mean, again, it comes back to cost	11	conditions, be able to get them in. We do use
12	versus reliability. And we think we provide a	12	rental mobile units at times if were going to
13	reliable enough service on that Peninsula now,	13	do a major upgrade to a distribution system.
14	we can, with the facilities we have,	14	We have, in the past, leased mobile rental
15	notwithstanding the fact that again, we try to	15	units to keep the community on while we do the
16	make improvements, as long as they're cost	16	upgrade, rather than take the outage. But
17	effective over time.	17	again, I think it would all depend on the
18	Q. So, in your view, the problem with portable	18	nature of the storm and where the particular
19	diesel generation is where to locate it?	19	community was.
20	A. No, again, it's the cost. We have to buy them	20	Q. Is it more cost effective to rent these than
21	and how many do you buy and where do you put	21	to purchase your own when you're using these
22	them? It's a cost consideration.	22	to upgrade the lines and so on.
23	Q. So, the alternative isyou have none, is that	23	A. We had, as a matter of fact, following the
24	what it comes down to, rather than buy one?	24	rehabilitation of the McCallum diesel plant
25	A. Right now, my understanding is that we do not	25	had two units that we had been leasing down
	Page 131		Page 132
1	there and it was cheaper to lease for that	1	north east coast of Labrador in reference to
2	particular application, two available that we	2	the type service that they were getting and
3	were looking at purchasing and lo and behold,	3	the number of outages they had and I think
4	along comes the fire at the Rencontre East	4	this report probably was ordered by the Board
5	diesel plant and the two of those things were	5	in the result. Have you had a chance to
6	immediately purchased and pressed into	6	review that report?
7	service. To answer your question, I think if	7	A. Could you give me the reference, if you have
8	we're looking at just using these things on an	8	it available?
9	ad hoc basis for distribution upgrade purposes	9	Q. Sure, it's CA 14 NLH, it was filed September
10	and so on, we are probably better of in	10	27, 2002.
11	leasing them.	11	A. yes, I have it. Yes, I have perused the
12	Q. Have you done a cost analysis of that? On	12	report.
13	what do you base that opinion?	13	Q. And in reference to some of the problems that
14	A. I base thatit's a personal opinion. No, we	14	were cited, if we go to page 3 in the report
15	have not done a cost analysis.	15	we see a name that at the 2001 hearing
16	Q. But based upon your experience, you believe	16	reference was made to brown out conditions
17	that would be the most cost effective way to	17	occurring at Nain and there was an
18	do it.	18	investigation. What's the situation at Nain
19	A. Absolutely.	19	now? Are they still subject to brown out
1		20	conditions?
20	Q. I want to move to the other report that was	20	
20 21	filed, it deals with the reliability and	21	A. No, they are not; that particular problem has
20 21 22	filed, it deals with the reliability and quality of service to coastal Labrador	21 22	A. No, they are not; that particular problem has been remedied and since the commissioning of
20 21 22 23	filed, it deals with the reliability and quality of service to coastal Labrador communities. And when we visited Labrador in	21 22 23	A. No, they are not; that particular problem has been remedied and since the commissioning of the new diesel plant there, service has been
20 21 22	filed, it deals with the reliability and quality of service to coastal Labrador	21 22 23 24	A. No, they are not; that particular problem has been remedied and since the commissioning of

Multi-PageTMNL Hydro's 2003 General Rate Application

Page 133 Page 134 1 that, when we go up there, are we going to get 1 scr: scientified and that here performances 2 any complaints, let's wait and see. I can 2 improved. Thave not heard anything untoward 3 tell you one specific incident and I want to 3 with regards to the Charlotterow service. 4 try and get this out, that at one time, 4 And I can assue you that had there been any 5 recendly the situation. We dispatched acrew 8 problems, think we would have heard. 9 from Happy Valley/Goose Bay to go in and try 9 A Not that T'm aware of, no. 10 to remedy the problem. They couldn't get in 10 Q War about in Mary's Harbour on page 4, 33 12 in Hopedale. The community of Nain were 12 there were? Ites of supply outages. What's 14 type of issues we face on a daily basis. 13 the about in Mary's Harbour, but on ye knowledge, there 16 forward to tall the Board about tha? 16 has been no significant problems in that 17 A. I would not be surprised. 17 community since that time. Those problems 18 Q		bber 24, 2003 Multi	-Pa	ge NL Hydro's 2003 General Rate Application
a my complaints, let's wait and see. I can 2 improved. Thave not heard anything untoward 3 tell you one specific incident and I wan to 3 with regards to the Charlottetown service. 4 try and get this out, that at one time. 4 And I can assure you that had there been any 5 recently, I believe it was in July. we had a 5 problems. I think we would have heard. 7 Our discel system representatives couldn't 7 new to report to the Board in reference to 8 remedy the situation. We dispatched a crew 9 A Not that I'm aware of, no. 10 to remedy the problem. They couldn't get in 10 Q. What aboat in Mary's Harbour on page 4, 33 11 because of weather, I think they had to land 10 Q. What aboat in Mary's Harbour on page 4, 33 12 in Hopedale. The community of Nain were 10 Q. What aboat in Mary's Harbour on page 4, 33 12 is with out about tha? 14 A Again, I can't say we have't had any problems 13 out ages. What has be exception. 14 A Again, I can't say we have't had any problems 14 they as the system report, hose 15 Q. So, you anticipate people might be coming 16 15 Q. Sory out anticipate people might be coming 16 A Again, I can't say we have't had any problems. 17 A L wo		Page 133		Page 134
1 tell you one specific incident and I vant to 3 with regards to the Charlotteon service. 4 try and get this out, that at one time, 3 with regards to the Charlotteon service. 6 problem on the distribution system up there. 6 Q. Okay. So, that was-in 2003 there's nothing 7 Our disel system representatives couldn't 7 new to roport to the Board in reference to 8 remedy the situation. We dispatched a crew 8 problems at Charlotteown? 9 from Happy Valley/Goose Bay to go in and try 9 A Not that The aware of, no. 10 to remedy the problem. They couldn't get in 10 Q. Wat about in Mary's Harbour on page 4, 33 11 because of weather, 1 think they had to land 11 loss of supply outages. What's 12 is Hopedale. The community of Nain were 13 the situation there now? 14 type of issues we face on a daily basis. 14 A Again, I can't say we haven't had any problems 13 without power for 13 hours, but again it's the 13 the situation the are tow? 14 A. I was the exception. 16 has been no signifcaat problems in that </td <td>1</td> <td>that, when we go up there, are we going to get</td> <td>1</td> <td>were identified and that the performances</td>	1	that, when we go up there, are we going to get	1	were identified and that the performances
4 And I can assure you that had bere here any 5 recently. I believe it was in July, we had a 5 6 problem on the distribution system up there. 6 7 Our disel system representatives couldn't 7 8 remedy the situation. We dispatched a crew 9 9 from Happy Valley/Goose Bay to go in and try 9 A. Not that T'm aware of. no. 10 to remedy the problem. They couldn't get in 10 0. What about in Mary's Harbour on page 4, 33 12 in Hopedale. The community of Nain were 12 there were 7 loss of sapply outages. What's 14 type of issues we face on a daily basis. 14 A. Again, I can't say we haven't had any problems 15 Q. So, you anticipate people might be coming 15 in Mary's Harbour, but ony koweledge, there 16 forward to cell the Board about that? 16 has been osignificant problems in that 17 A. I would not be surprised. 19 Q. And in Charlottelown, we heard about the? 20 Q. And in Charlottelown, we heard about tha? 19 Q. And in Charlottelown, we were there last and how 21 outages. What has beer done to curb tha? 22 a. The problems containe.	2	any complaints, let's wait and see. I can	2	improved. I have not heard anything untoward
5 recendly, I betieve it was in July, we had a 5 problems, I think we would have head. 6 problem on the distribution system up there. 6 Q. Okay. So, that was-in 2003 there's nothing 7 Our disel system representatives couldn't 7 new to ropot to the Board in reference to 8 remedy the problem. They couldn't get in 10 Q. Kay. So, that was-in 2003 there's nothing 10 to remedy the problem. They couldn't get in 10 Q. What about in Mary's Harbour on page 4, 33 11 to see of weather. I think they had to land 11 toss of supply outages. What's 12 it type of issues we face on a daily basis. 13 A. A could not be surprised. 13 type of issues we face on a daily basis. 14 A. Again, I can't say we haven't had any problems 14 A. Jagain, I can't say we haven't had any problems. 14 A. Again, I can't say we haven't had any problems. 15 Q. But that was the exception. 14 A. Again, I can't say we haven't had any problems. 16 horw have the exception. 15 have been fixed. 17 A. It would not be surprised. 16 has been no significant problems in that 18 Q. But that w	3	tell you one specific incident and I want to	3	with regards to the Charlottetown service.
6 problem on the distribution system up there. 6 Q. Okay. So, that was-in 2003 there's nothing 7 Our discl system representatives couldn't 7 new to report to the Board in reference to 9 from Happy Valley/Goose Bay to go in and try 9 A. Not that I'm aware of, no. 10 to remedy the problem. They couldn't get in 9 A. Not that I'm aware of, no. 11 because of weather, I think they had to land 11 10 Q. Wat about in Mary's Harbour on page 4, 33 12 in Hopedale. The community of Nain were 13 the situation there now? 14 type of issues we face on a duily basis. 14 14 A. A goin, I can't say we haver't had any problems 15 Q. So, you anticipate people might be coming 15 in Mary's Harbour, but to my knowledge, there 16 fas wee have community of Nain were 15 in Mary's Harbour, but to my knowledge, there 16 A. Fat was the exception. 19 Q. And in Charlottetown, we heard about the 20 Outages. What has been done to cure that 21 Lanse au Loup, free 23 outages. Wart by and they do that for 21 24 A. I think as it says here in the	4	try and get this out, that at one time,	4	And I can assure you that had there been any
7 Our diesel system representatives couldn't 7 new to report to the Board in reference to 8 remedy the situation. We dispatched a crew 8 problems at Charlottetown? 9 from Happy Valley/Goose Bay to go in and try 9 A. If what Tm aware of, no. 10 to remedy the problem. They couldn't get in 10 0. What about in Mary's Harbour on page 4, 33 11 because of weather, I think they had to land 11 loss of supply outages during 2001 and in 2002 13 without power for 13 hours, but again if's the 13 there were 7 loss of supply outages. What's 13 without power for 13 hours, but again if's the 13 there were 7 loss of supply outages. What's 14 A. I would not be surprised. 13 A. Again, Lam's ay we haven't hat any problems 15 Q. And in Charlottetown, we heard about the 16 has been no significant problems in the1 15 outages. What has been done to curb that? 23 A. The was loss sori in the shrimp plant due to 21 Lass au Long? 24 A. I think as it says here in the report, those 23 Significant problems in the Lanse 16 25 request segroup and other technincal people have 16	5	recently, I believe it was in July, we had a	5	
8 remedy the situation. We dispatched a crew from Happy Valley/Gose Bay to go in and try form Happy Valley/Gose Bay to go in and try form Happy Valley/Gose Bay to go in and try for to remedy the problem. They couldn't get in to peak they they and to land the beat and hour in Mary's Harbour on page 4, 33 11 because of weather, I think they had to land with obcur in Mary's Harbour on page 4, 33 12 in Hopedale. The community of Nain were 1 13 without power for 13 hours, but again if's the situation there now? 14 type of issues we face on a daily basis. 15 Q. So, you anticipate people might be coming to ward to tell the Bard about tha? 16 fast was the exception. 17 A. I would not be surprised. 18 Q. And in Charlottetown, we heard about the situation there were 25 system outages in 2001 which were toss of supply from there was losses in the strimp plant due to situate in the crone in the report, those there was losses in the shrimp plant due to situate in the crone in the report, those the situation in the canse an Loup to together, we've established a group within the situate shore form customers. When we got the proper group together, we've established a group within the sub manager of system performance and sour thore than abour the system. We we'ne have that the sourd sourt site problems in the lanse an Loup to the set problems, the ongoing problems on our distribution system itself in the problems, the ongoing problems in the lanse an Loup to the site as and how the sourt the problems, the ongoing problems on our distribution system itself in the problems, the ongoing problems on o	6	problem on the distribution system up there.	6	Q. Okay. So, that wasin 2003 there's nothing
9 from Happy Valley/Goose Bay to go in and try 9 A. Not that I'm aware of, no. 10 to remedy the problem. They couldn't get in 10 Q. What about in Mary's Harbour on page 4, 33 12 in Hopedale. The community of Nain were 11 loss of supply outages during 2001 and in 2002 12 in Hopedale. The community of Nain were 12 there were 7 loss of supply outages. What's 13 without power for 13 hours, but again it's the 13 the situation there now? 14 type of issues we face on a daily basis. 14 A. Again, I can't asy we haven't had any problems 15 Q. So, you anticipate people might be coming 15 in Mary's Harbour, but to my knowkedge, there 17 A. I would not be surprised. 17 community since that time. Those problems 18 Q. But that was the exception. 18 have been fixed. 10 outages in 2001 which were toss of supply from 21 shrimp plant when we were there last and how 21 the quebec system. What's the situation in 22 there was losses in the shrimp plant due to 22 Lanse au Loup? 23 23 suttimes were addressed as soon as the problems 25 Red Bay system. We've thad nu	7	Our diesel system representatives couldn't	7	new to report to the Board in reference to
9 from Happy Valley/Goose Bay to go in and try 9 A. Not that I'm aware of, no. 10 to remedy the problem. They couldn't get in 10 Q. What about in Mary's Harbour on page 4, 33 12 in Hopedale. The community of Nain were 11 loss of supply outages during 2001 and in 2002 12 in Hopedale. The community of Nain were 12 there were 7 loss of supply outages. What's 13 without power for 13 hours, but again it's the 13 the situation there now? 14 type of issues we face on a daily basis. 14 A. Again, I can't asy we haven't had any problems 15 Q. So, you anticipate people might be coming 15 in Mary's Harbour, but to my knowkedge, there 17 A. I would not be surprised. 17 community since that time. Those problems 18 Q. But that was the exception. 18 have been fixed. 10 outages in 2001 which were toss of supply from 21 shrimp plant when we were there last and how 21 the quebec system. What's the situation in 22 there was losses in the shrimp plant due to 22 Lanse au Loup? 23 23 suttimes were addressed as soon as the problems 25 Red Bay system. We've thad nu	8	remedy the situation. We dispatched a crew	8	problems at Charlottetown?
11 because of weather, I think they had to land 11 loss of supply outages during 2001 and in 2002 12 in Hopedale. The community of Nain were 12 there were 7 loss of supply outages. What's 13 Without power for 13 hours, but again if's the 13 the situation there now? 14 type of issues we face on a daily basis. 14 A Again, I can't say we haven't had any problems 14 type of issues we face on a daily basis. 14 A Again, I can't say we haven't had any problems in that 17 A. I would not be surprised. 17 community since that time. Those problems 18 Q. But that was the exception. 19 Q. And in Charlottetown, we heard about the 20 outages. What has been done to curb that? 21 have been fixed. 12 21 shrimp plant when we were there last and how 21 the was losses in the strimp plant due to 22 Lanes au Loup? 23 A. The problems in the Lane au Loup to 23 outages. What has been done to curb that? 23 A. The problems in the Lane au Loup to 22 24 A. I think as it says here in the report, those 23 A. The problems in the Lane au Loup to 25 regetas as out	9		9	-
11 because of weather, I think they had to land 11 loss of supply outages during 2001 and in 2002 12 in Hopedale. The community of Nain were 12 there were 7 loss of supply outages. What's 13 Without power for 13 hours, but again if's the 13 the situation there now? 14 type of issues we face on a daily basis. 14 A Again, I can't say we haven't had any problems 14 type of issues we face on a daily basis. 14 A Again, I can't say we haven't had any problems in that 17 A. I would not be surprised. 17 community since that time. Those problems 18 Q. But that was the exception. 19 Q. And in Charlottetown, we heard about the 20 outages. What has been done to curb that? 21 have been fixed. 12 21 shrimp plant when we were there last and how 21 the was losses in the strimp plant due to 22 Lanes au Loup? 23 A. The problems in the Lane au Loup to 23 outages. What has been done to curb that? 23 A. The problems in the Lane au Loup to 22 24 A. I think as it says here in the report, those 23 A. The problems in the Lane au Loup to 25 regetas as out	10	to remedy the problem. They couldn't get in	10	Q. What about in Mary's Harbour on page 4, 33
13 without power for 13 hours, but again it's the type of issues we face on a daily basis. 13 the situation there now? 14 type of issues we face on a daily basis. 14 A. Again, I can't say we haven't had any problems in Mary's Harbour, but to my knowledge, there 15 0. So, you anticipate people might be coming forward to tell the Board about that? 16 has been no significant problems in that 17 A. I would not be surprised. 17 community since that time. Those problems 19 Q. And in Charlottetown, we heard about the shrimp plant when we were there last and how 18 have been fixed. 20 outages. What has been done to curb that? 23 A. The problems continue. We continue to have significant problems in the Lanse au Loup? 23 outages. What has been done to curb that? 24 A. I think as it says here in the report, those issues were addressed as son as the problems 25 24 A. I think as it says here prior mace any proformace issues were addressed as son as the problems 25 Page 136 1 from customers. When we got the proper group together, we've established a group within 1 Free close back on out of synchronism with our services group and other technical people have services group and other technical people have the Lanse au Loup system. We have had 1 1 10	11	because of weather, I think they had to land	11	loss of supply outages during 2001 and in 2002
14 A. Again, I can't say we haven't had any problems 15 Q. So, you anticipate people might be coming in Mary's Harbour, but to my knowledge, there 16 Gorward to tell the Board about that? 15 in Mary's Harbour, but to my knowledge, there 17 A. I would not be surprised. 17 community since that time. Those problems 18 Q. But that was the exception. 19 A. And in Charlotetown, we heard about the 20 a. That was the exception. 19 Q. And in Charlotetown, we heard about the 21 outages. What has been done to curb that? 22 23 outages. What has been done to curb that? 23 24 A. I think as it says here in the report, those 24 25 issues were addressed as son as the problems 25 26 together, we've established a group within 2 32 under. Our manager of system performance and 5 4 the Northern area which Lanse au Loup comes 5 5 under. Our manager of system performance and 5 6 protection, They really don't know if our 16 problems, the ongoing problems in 7 services gro	12	in Hopedale. The community of Nain were	12	there were 7 loss of supply outages. What's
15 Q. So, you anticipate people might be coming 15 in Mary's Harbour, but to my knowledge, there 16 forward to tell the Board about that? 16 has been no significant problems in that 17 A. I would not be surprised. 17 community since that time. Those problems 18 Q. But that was the exception. 19 Q. And in Charlottetown, we heard about the 20 20 Q. And in Charlottetown, we heard about the 20 outages in 2001 which were loss of supply from 21 outages. What has been done to curb that? 23 A. The problems ontinue. We continue to have 23 outages moutages. What has been done to curb that? 24 significant problems in the Lanse au Loup to 25 issues were addressed as soon as the problems 25 Red Bay system. We've had numerous complaints 26 under. Our stomers. When we got the proper group 1 first thing that Hydro Quebec does is trip the 2 begether, we've established agroup within 2 breaker at the border. And they do that for 3 under. Our manager of system performance and 5 re-close back on out of synchronism with our 4 the problems, the ongoing problems in 1 Robertson operator, that's	13	without power for 13 hours, but again it's the	13	the situation there now?
15 Q. Šo, you anticipate people might be coming 15 in Mary's Harbour, but to my knowledge, there 16 forward to tell the Board about that? 16 has been no significant problems in that 17 A. I would not be surprised. 17 community since that time. Those problems 18 Q. But that was the exception. 19 Q. And in Charlottevom, we heard about the 20 20 Q. And in Charlottevom, we heard about the 20 outages in 2001 which were loss of supply from 21 outages what has been done to curb that? 23 A. The problems in the Lanse au Loup, the were 25 system 23 outages in 2001 which were loss of supply from 21 Lanse au Loup? 23 outages in 2001 which were loss of supply from 22 24 issues were addressed as soon as the problems 25 Red Bay system. We've had numerous complaints 25 issues were addressed as group within 2 breaker at the border. And they do that for 3 under. Our manager of system performance and first thing that Hydro Quebec does is trip the 4 the Northern area which Lanse au Loup comes 4 diesel system is on or off. So, rather than 7 services group and other techni	14		14	A. Again, I can't say we haven't had any problems
17 A. I would not be surprised. 17 community since that time. Those problems 18 O. But that was the exception. 18 have been fixed. 19 A. That was the exception. 19 O. And in Lanse au Loup, there were 25 system 20 A. Af in Charlotteown, we heard about the 20 outages in 2001 which were loss of supply from 21 shrimp plant when we were there last and how 21 the Quebec system. What's the situation in 22 outages. What has been done to curb that? 23 A. I think as it says here in the report, those 24 A. I think as it says here in the report, those 24 Thore customers. When we got the proper group 25 Red Bay system. We' we had numerous complaints 7 the Northern area which Lanse au Loup comes 1 first thing that Hydro Quebec does is trip the 8 under. Our manager of system performance and 5 re-close back on out of synchronism with our 7 services group and other technical people have 7 and our customers' equipment, they 8 been put into a working team, if you will to 9 we're going to do is put a procedure in place 10 the Lanse au Loup system. We have had 10 whereby our	15	Q. So, you anticipate people might be coming	15	
17A. I would not be surprised.17community since that time. Those problems18Q. But that was the exception.18have been fixed.19A. That was the exception.19Q. And in Lanse au Loup, there were 25 system20Q. And in Charlottetown, we heard about the20outages in 2001 which were loss of supply from21shrimp plant when we were there last and how21the Quebec system. What's the situation in22outages. What has been done to curb that?23A. The problems continue. We continue to have23outages. What has been done to curb that?23A. The problems continue. We continue to have24A. I think as it says here in the report, those24Significant problems in the Lanse au Loup to25issues were addressed as soon as the problems25Red Bay system. We've had numerous complaints26together, we've established a group within2breaker at the border. And they do that for3Hydro consisting of our regional manager for3our protection. They really don't know if our4the Northern area which Lanse au Loup comes4diesel system is on or off. So, rather than5under. Our manager of system performance and5re-close back on out of synchronism with our7services group and other technical people have7and our customers' equipment, they8been put into a wriking team, if you will to9we're going to do is put a procedure in place10the Lanse au Loup system. We have had10whereby	16	forward to tell the Board about that?	16	has been no significant problems in that
19A. That was the exception.19Q. And in Lanse au Loup, there were 25 system20Q. And in Charlottetown, we heard about the20outages in 2001 which were loss of supply from21shrimp plant when we were there last and how21the Quebec system. What's the situation in22there was losses in the shrimp plant due to22Lanse au Loup?23outages. What has been done to curb that?23A. The problems continue. We continue to have24A. I think as it says here in the report, those24Significant problems in the Lanse au Loup to25issues were addressed as soon as the prober25Red Bay system. We've had numerous complaints26from customers. When we got the proper group1first thing that Hydro Quebec does is trip the2together, we've established a group within2breaker at the border. And they do that for3under. Our manager of system performance and5recelose back on out of synchronism with our6system is on or off. So, rather than5we're going to do is put a procedure in place10the Lanse au Loup system. We have had10whereby our operators will inform the Lace11problems on our distribution system itself in11Robertson operator, that's the hydro plant12Labrador, in that particular system. However,13is off. He will automatically disable that14of protective relaying in Quebec itself, in14undervoltage protection. So, in the future,15the Blanc Sablon area. Our manager of sy	17	A. I would not be surprised.	17	
20Q. And in Charlottelown, we heard about the shrimp plant when we were there last and how there was losses in the shrimp plant due to there was losses in the shrimp plant due to there was losses in the shrimp plant due to coutages. What has been done to curb that? 2320outages in 2001 which were loss of supply from the Quebec system. What's the situation in 22 2321 Lanse au Loup? 2323A. The problems continue. We continue to have 24 24 2523 Red Bay system. We' ve dad numerous complaints24A. I think as it says here in the report, those 2525Red Bay system. We' ve had numerous complaints25reget1361first thing that Hydro Quebec does is trip the 2526together, we've established a group within 22breaker at the border. And they do that for 33Hydro consisting of our regional manager for 4 41first thing that Hydro Quebec does is trip the 35re-close back on out of synchronism with our 46system is on or off. So, rather than 46protection, a representative from the customer 46system and potentially damage our equipment 47services group and other technical people have 49we're going to do is put a procedure in place10the Lanse au Loup system. However, 410whereby our operators will inform the Lac11problems on our distribution system itself in 411Robertson operator, that''s the hydro plant12Labrador, in that particular system. However, 413is off. Hew yil automatically disable that <tr< td=""><td>18</td><td>Q. But that was the exception.</td><td>18</td><td>have been fixed.</td></tr<>	18	Q. But that was the exception.	18	have been fixed.
21shrimp plant when we were there last and how there was losses in the shrimp plant due to outages. What has been done to curb that? 2321the Quebec system. What's the situation in Lanse au Loup?23A. I think as it says here in the report, those issues were addressed as soon as the problems23A. The problems on the Lanse au Loup to 2525report issues were addressed as soon as the problems23A. The problems ontinue. We continue to have 2426from customers. When we got the proper group 2together, we've established a group within 3They regional manager for 412from customers and or regional manager for 4the Northern area which Lanse au Loup comes 51first thing that Hydro Quebec does is trip the 23been put into a working team, if you will to 9look at the problems, the ongoing problems in 105re-close back on out of synchronism with our 63alarge part of it still stems from operations 11problems on our distribution system itself in 121Robertson operator, that's the hydro plant 1112Labrador, in that particular system. However, 121Robertson operator, so, in the future, 131414of protective relaying in Quebec itself, in 1414undervoltage protection. So, in the future, 151615the Blanc Sablon area. Our manager of 151611the deds the system, we will not 1615the Blanc Sablon area. Our manager of system 1616161616performance protection and a regiona	19	A. That was the exception.	19	Q. And in Lanse au Loup, there were 25 system
22there was losses in the shrimp plant due to outages. What has been done to curb that?22Lanse au Loup?23A. I think as it says here in the report, those23A. The problems continue. We continue to have significant problems in the Lanse au Loup to 2524A. I think as it says here in the report, those24Significant problems in the Lanse au Loup to 2525From customers. When we got the proper group 21First thing that Hydro Quebec does is trip the 22breaker at the border. And they do that for 30our protection. They really don't know if our 43Hydro consisting of our regional manager for 30our protection. They really don't know if our 44the Northern area which Lanse au Loup comes 4indexel system is on or off. So, rather than 5re-close back on out of synchronism with our 66protection, a representative from the customer 7and our customers' equipment, they 8automatically isolate us at the border. What 99look at the problems, the ongoing problems in 99we're going to do is put a procedure in place10the Lanse au Loup system. We have had 1011Robertson operator, that's the hydro plant12Labrador, in that particular system. However, 1312that feeds the system, that the diesel plant13a large part of it still stems from operations13is off. He will automatically disable that 1414or protection and a regional manager 15if they get an undervoltage situation or a 1616 <t< td=""><td>20</td><td>Q. And in Charlottetown, we heard about the</td><td>20</td><td>outages in 2001 which were loss of supply from</td></t<>	20	Q. And in Charlottetown, we heard about the	20	outages in 2001 which were loss of supply from
23outages. What has been done to curb that?23A. The problems continue. We continue to have24A. I think as it says here in the report, those24significant problems in the Lanse au Loup to25issues were addressed as soon as the problems25Red Bay system. We've had numerous complaintsPage 135Page 1361first thing that Hydro Quebec does is trip the2together, we've established a group within2breaker at the border. And they do that for3Hydro consisting of our regional manager for3our protection. They really don't know if our4the Northern area which Lanse au Loup comes5re-close back on out of synchronism with our5under. Our manager of system performance and5re-close back on out of synchronism with our6system int on avorking team, if you will to8automatically isolate us at the border. What9look at the problems, the ongoing problems in9we're going to do is put a procedure in place10the Lanse au Loup system. We have had10whereby our operators will inform the Lac11problems on our distribution system itself in11Robertson operator, that's the hydro plant12Labrador, in that particular system. However,12that feeds the system, that the diesel plant13a large part of it still stems from operations13is off. He will automatically disable that14of protective relaying in Quebec itself, in14undervoltage situation or a </td <td>21</td> <td>shrimp plant when we were there last and how</td> <td>21</td> <td>the Quebec system. What's the situation in</td>	21	shrimp plant when we were there last and how	21	the Quebec system. What's the situation in
24A. I think as it says here in the report, those issues were addressed as soon as the problems24significant problems in the Lanse au Loup to 25Red Bay system. We've had numerous complaints25red Bay system. We've had numerous complaintsPage 135Page 1361from customers. When we got the proper group 21first thing that Hydro Quebec does is trip the 2breaker at the border. And they do that for 33Hydro consisting of our regional manager for 44the Northern area which Lanse au Loup comes 4diesel system is on or off. So, rather than 5so ur protection. They really don't know if our 46protection, a representative from the customer 7services group and other technical people have 8been put into a working team, if you will to 9sa utomatically isolate us at the border. What 49look at the problems, the ongoing problems in 99we're going to do is put a procedure in place 910the Lanse au Loup system. We have had 1011Robertson operators will inform the Lac11problems on our distribution system itself in 1111Robertson operator, that's the hydro plant12Labrador, in that particular system. However, 1212that feeds the system, that the diesel plant13a large part of it still stems from operations 14of protective relaying in Quebec itself, in 141114nedrovoltage protection and a regional manager 1616fault or whatever on their system, we will not 1616performance protection and a regional manager 	22	there was losses in the shrimp plant due to	22	
25issues were addressed as soon as the problems25Red Bay system. We've had numerous complaintsPage 135Page 1361from customers. When we got the proper group1first thing that Hydro Quebec does is trip the2together, we've established a group within2breaker at the border. And they do that for3Hydro consisting of our regional manager for3our protection. They really don't know if our4the Northern area which Lanse au Loup comes4diesel system is on or off. So, rather than5under. Our manager of system performance and5re-close back on out of synchronism with our6protection, a representative from the customer6system and potentially damage our equipment7services group and other technical people have7and our customers' equipment, they8been put into a working team, if you will to8automatically isolate us at the border. What9look at the problems, the ongoing problems in9we're going to do is put a procedure in place10the Lanse au Loup system. However,11Robertson operators will inform the Lac11problems on our distribution system itself in11Robertson operator, that's the hydro plant12Labrador, in that particular system. However,13is off. He will automatically disable that14of protective relaying in Quebec itself, in14undervoltage protection. So, in the future,15if they get an undervoltage situation or a1616performance protec	23	outages. What has been done to curb that?	23	A. The problems continue. We continue to have
Page 135Page 1351from customers. When we got the proper group2together, we've established a group within3Hydro consisting of our regional manager for4the Northern area which Lanse au Loup comes5under. Our manager of system performance and6protection, a representative from the customer7services group and other technical people have8been put into a working team, if you will to9look at the problems, the ongoing problems in10the Lanse au Loup system. We have had11Labrador, in that particular system. However,12Labrador, in that particular system. However,13a large part of it still stems from operations14of protective relaying in Quebec itself, in15the Blanc Sablon area. Our manager of system16performance protection and a regional manager17northern have had several telephone18conversations and conference calls with Hydro19Quebec counterparts. We thing we worked up a20solution. Maybe just for the Board's21information, I can sort of give you a little22background in this. The way the protection23and control is set up there now is any time24there's a disruption or an undervoltage24there's a disruption or an undervoltage24there's a disruption or an undervoltage	24	A. I think as it says here in the report, those	24	significant problems in the Lanse au Loup to
1from customers. When we got the proper group together, we've established a group within1first thing that Hydro Quebec does is trip the2together, we've established a group within2breaker at the border. And they do that for3Hydro consisting of our regional manager for under. Our manager of system performance and protection, a representative from the customer3our protection. They really don't know if our6system is on or off.So, rather than7services group and other technical people have7and our customers' equipment, they8been put into a working team, if you will to8automatically isolate us at the border. What9look at the problems, the ongoing problems in problems on our distribution system itself in 1111Robertson operator, that's the hydro plant11Labrador, in that particular system. However, 1211Robertson operator, that's the hydro plant13a large part of it still stems from operations 1313is off. He will automatically disable that14of protective relaying in Quebec itself, in 1414undervoltage protection. So, in the future, 1516performance protection and a regional manager 1616fault or whatever on their system, we will not17in Northern have had several telephone 1717be tripped. If they trip and then re-close, 1818conversations and conference calls with Hydro 1918we'lt automatically be picked up. But the way 1919Quebec counterparts. We thing we worked up a 191	25	issues were addressed as soon as the problems	25	Red Bay system. We've had numerous complaints
1from customers. When we got the proper group together, we've established a group within1first thing that Hydro Quebec does is trip the2together, we've established a group within2breaker at the border. And they do that for3Hydro consisting of our regional manager for under. Our manager of system performance and protection, a representative from the customer3our protection. They really don't know if our6system is on or off.So, rather than7services group and other technical people have7and our customers' equipment, they8been put into a working team, if you will to8automatically isolate us at the border. What9look at the problems, the ongoing problems in problems on our distribution system itself in 1111Robertson operator, that's the hydro plant11Labrador, in that particular system. However, 1211Robertson operator, that's the hydro plant13a large part of it still stems from operations 1313is off. He will automatically disable that14of protective relaying in Quebec itself, in 1414undervoltage protection. So, in the future, 1516performance protection and a regional manager 1616fault or whatever on their system, we will not17in Northern have had several telephone 1717be tripped. If they trip and then re-close, 1818conversations and conference calls with Hydro 1918we'lt automatically be picked up. But the way 1919Quebec counterparts. We thing we worked up a 191		Page 135		Page 136
2together, we've established a group within2breaker at the border. And they do that for3Hydro consisting of our regional manager for3our protection. They really don't know if our4the Northern area which Lanse au Loup comes4diesel system is on or off. So, rather than5under. Our manager of system performance and5re-close back on out of synchronism with our6protection, a representative from the customer6system and potentially damage our equipment7services group and other technical people have7and our customers' equipment, they8been put into a working team, if you will to8automatically isolate us at the border. What9look at the problems, the ongoing problems in9we're going to do is put a procedure in place10the Lanse au Loup system. We have had10whereby our operators will inform the Lac11problems on our distribution system itself in11Robertson operator, that's the hydro plant12Labrador, in that particular system. However,13is off. He will automatically disable that14of protective relaying in Quebec itself, in14undervoltage protection. So, in the future,15the Blanc Sablon area. Our manager of system16fault or whatever on their system, we will not17in Northern have had several telephone17be tripped. If they trip and then re-close,18conversations and conference calls with Hydro18we'll automatically be picked up. But the way19Quebec	1	e	1	6
3Hydro consisting of our regional manager for the Northern area which Lanse au Loup comes under. Our manager of system performance and protection, a representative from the customer services group and other technical people have been put into a working team, if you will to look at the problems, the ongoing problems in problems on our distribution system. We have had look at the problems, the ongoing problems in problems on our distribution system. We have had look at the problems on our distribution system. However, la large part of it still stems from operations lo performance protection and a regional manager in Northern have had several telephone look dit maybe just for the Board's conversations and conference calls with Hydro look dit maybe just for the Board's look at operator, I can sort of give you a little look at operation, I can sort of give you a little look at there's a disruption or an undervoltage3our protection. They really don't know if our diesel system is on or off. So, rather than system and potentially damage our equipment and our customers' equipment, they automatically isolate us at the border. What we're going to do is put a procedure in place ue we're going to do is put a procedure in place that feeds the system, that the diesel plant to fortective relaying in Quebec itself, in the Blanc Sablon area. Our manager of system to forthern have had several telephone to morthern have had several telephone to morther have had control is set up there now is any time to solution. Maybe just for the Board's to morther have have the protection to morther have have the gradical set the sout for ten minutes, we <td></td> <td></td> <td></td> <td> · ·</td>				· ·
4the Northern area which Lanse au Loup comes4diesel system is on or off. So, rather than5under. Our manager of system performance and5re-close back on out of synchronism with our6protection, a representative from the customer6system and potentially damage our equipment7services group and other technical people have7and our customers' equipment, they8been put into a working team, if you will to8automatically isolate us at the border. What9look at the problems, the ongoing problems in9we're going to do is put a procedure in place10the Lanse au Loup system. We have had10whereby our operators will inform the Lac11problems on our distribution system itself in11Robertson operator, that's the hydro plant13a large part of it still stems from operations13is off. He will automatically disable that14of protective relaying in Quebec itself, in14undervoltage protection. So, in the future,15the Blanc Sablon area. Our manager of system15if they get an undervoltage situation or a16performance protection and a regional manager16fault or whatever on their system, we will not17in Northern have had several telephone17be tripped. If they trip and then re-close,18conversations and conference calls with Hydro18we'lt automatically be picked up. But the way19Quebec counterparts. We thing we worked up a20we're tripped, we're the last ones to come21in	3		3	-
5under. Our manager of system performance and protection, a representative from the customer5re-close back on out of synchronism with our6protection, a representative from the customer7and our customers' equipment, they7services group and other technical people have been put into a working team, if you will to8automatically isolate us at the border. What9look at the problems, the ongoing problems in9we're going to do is put a procedure in place10the Lanse au Loup system. We have had10whereby our operators will inform the Lac11problems on our distribution system itself in11Robertson operator, that's the hydro plant12Labrador, in that particular system. However, 1313is off. He will automatically disable that14of protective relaying in Quebec itself, in 			4	
6protection, a representative from the customer services group and other technical people have been put into a working team, if you will to look at the problems, the ongoing problems in problems on our distribution system. We have had 116system and potentially damage our equipment and our customers' equipment, they a utomatically isolate us at the border. What10the Lanse au Loup system. We have had problems on our distribution system itself in a large part of it still stems from operations of protective relaying in Quebec itself, in in Northern have had several telephone conversations and conference calls with Hydro gouebec counterparts. We thing we worked up a solution. Maybe just for the Board's solution. Maybe just for the Board's solution. I can sort of give you a little background in this. The way the protection and control is set up there now is any time there's a disruption or an undervoltage6system and potentially damage our equipment and our customers' equipment, they automatically isolate us at the border. What we're going to do is put a procedure in place that feeds the system, that the diesel plant is off. He will automatically disable that undervoltage protection. So, in the future, if they get an undervoltage situation or a fault or whatever on their system, we will not to what we're the last ones to come it's working now, every time they get a blip, 2020solution. Maybe just for the Board's and control is set up there now is any time there's a disruption or an undervoltage2021information, I can sort of give you a little background in this. The way the protection and control is set up there now is any time there's a disruption or an undervoltage2122background in this. The way t	5	-	5	-
7services group and other technical people have been put into a working team, if you will to look at the problems, the ongoing problems in the Lanse au Loup system. We have had problems on our distribution system itself in 12 Labrador, in that particular system. However, a large part of it still stems from operations of protective relaying in Quebec itself, in the Blanc Sablon area. Our manager of system in Northern have had several telephone conversations and conference calls with Hydro Quebec counterparts. We thing we worked up a solution. Maybe just for the Board's solution. Maybe just for the Board's the matching in this. The way the protection and control is set up there now is any time the re's a disruption or an undervoltage7and our customers' equipment, they automatically isolate us at the border. What we're going to do is put a procedure in place we're going to do is put a procedure in place we're going to do is put a procedure in place we're going to do is put a procedure in place we're going to do is put a procedure in place we're going to do is put a procedure in place that the class plant is off. He will automatically disable that undervoltage protection. So, in the future, if they get an undervoltage we're on their system, we will not the way in performance protection and a regional manager if we're tripped. If they trip and then re-close, we're tripped, we're the last ones to come to we're tripped, we're the last ones to come to the remainder of submit they way in the set of the minutes, we to we're tripped, we're the last ones to come to the re's a disruption or an undervoltage7and control is set up there now is any time there's a disruption or an undervoltage2424there's a disruption or an undervoltage24				•
8been put into a working team, if you will to8automatically isolate us at the border. What9look at the problems, the ongoing problems in9we're going to do is put a procedure in place10the Lanse au Loup system. We have had10whereby our operators will inform the Lac11problems on our distribution system itself in11Robertson operator, that's the hydro plant12Labrador, in that particular system. However,12that feeds the system, that the diesel plant13a large part of it still stems from operations13is off. He will automatically disable that14of protective relaying in Quebec itself, in14undervoltage protection. So, in the future,15the Blanc Sablon area. Our manager of system15if they get an undervoltage situation or a16performance protection and a regional manager16fault or whatever on their system, we will not17in Northern have had several telephone17be tripped. If they trip and then re-close,18conversations and conference calls with Hydro18we'll automatically be picked up. But the way19Quebec counterparts. We thing we worked up a20we're tripped, we're the last ones to come21information, I can sort of give you a little21back on. We could be out for ten minutes, we22background in this. The way the protection23problem for us.23and control is set up there now is any time23problem for us.24there's a disruption or an undervoltage<				
9look at the problems, the ongoing problems in the Lanse au Loup system. We have had9we're going to do is put a procedure in place10the Lanse au Loup system. We have had10whereby our operators will inform the Lac11problems on our distribution system itself in 1211Robertson operator, that's the hydro plant12Labrador, in that particular system. However, 1312that feeds the system, that the diesel plant13a large part of it still stems from operations 1413is off. He will automatically disable that14of protective relaying in Quebec itself, in 1414undervoltage protection. So, in the future, 1515the Blanc Sablon area. Our manager of system 1615if they get an undervoltage situation or a 1617in Northern have had several telephone 1717be tripped. If they trip and then re-close, 1818conversations and conference calls with Hydro 1918we'll automatically be picked up. But the way 1920solution. Maybe just for the Board's 2120we're tripped, we're the last ones to come 2121information, I can sort of give you a little 22back on. We could be out for ten minutes, we 2223and control is set up there now is any time 2423problem for us.24there's a disruption or an undervoltage24(12:15 p.m.)	8		8	
10the Lanse au Loup system. We have had10whereby our operators will inform the Lac11problems on our distribution system itself in11Robertson operators will inform the Lac12Labrador, in that particular system. However,12that feeds the system, that the diesel plant13a large part of it still stems from operations13is off. He will automatically disable that14of protective relaying in Quebec itself, in14undervoltage protection. So, in the future,15the Blanc Sablon area. Our manager of system15if they get an undervoltage situation or a16performance protection and a regional manager16fault or whatever on their system, we will not17in Northern have had several telephone17be tripped. If they trip and then re-close,18conversations and conference calls with Hydro18we'll automatically be picked up. But the way19Quebec counterparts. We thing we worked up a20we're tripped, we're the last ones to come21information, I can sort of give you a little21back on. We could be out for ten minutes, we22background in this. The way the protection22could be out for two hours. It's been a real23and control is set up there now is any time23problem for us.24there's a disruption or an undervoltage24 (12:15 p.m.)		· · ·	9	•
11problems on our distribution system itself in11Robertson operator, that's the hydro plant12Labrador, in that particular system. However,12that feeds the system, that the diesel plant13a large part of it still stems from operations13is off. He will automatically disable that14of protective relaying in Quebec itself, in14undervoltage protection. So, in the future,15the Blanc Sablon area. Our manager of system15if they get an undervoltage situation or a16performance protection and a regional manager16fault or whatever on their system, we will not17in Northern have had several telephone17be tripped. If they trip and then re-close,18conversations and conference calls with Hydro18we'll automatically be picked up. But the way19Quebec counterparts. We thing we worked up a19it's working now, every time they get a blip,20solution. Maybe just for the Board's20we're tripped, we're the last ones to come21information, I can sort of give you a little21back on. We could be out for ten minutes, we22background in this. The way the protection22could be out for two hours. It's been a real23and control is set up there now is any time23problem for us.24there's a disruption or an undervoltage24 (12:15 p.m.)		· · · · ·	10	
12Labrador, in that particular system. However,12that feeds the system, that the diesel plant13a large part of it still stems from operations13is off. He will automatically disable that14of protective relaying in Quebec itself, in14undervoltage protection. So, in the future,15the Blanc Sablon area. Our manager of system15if they get an undervoltage situation or a16performance protection and a regional manager16fault or whatever on their system, we will not17in Northern have had several telephone17be tripped. If they trip and then re-close,18conversations and conference calls with Hydro18we'll automatically be picked up. But the way19Quebec counterparts. We thing we worked up a19it's working now, every time they get a blip,20solution. Maybe just for the Board's20we're tripped, we're the last ones to come21information, I can sort of give you a little21back on. We could be out for ten minutes, we22background in this. The way the protection23problem for us.24there's a disruption or an undervoltage24 (12:15 p.m.)	11	- ·	11	
13a large part of it still stems from operations13is off. He will automatically disable that14of protective relaying in Quebec itself, in14undervoltage protection. So, in the future,15the Blanc Sablon area. Our manager of system15if they get an undervoltage situation or a16performance protection and a regional manager16fault or whatever on their system, we will not17in Northern have had several telephone17be tripped. If they trip and then re-close,18conversations and conference calls with Hydro18we'll automatically be picked up. But the way19Quebec counterparts. We thing we worked up a19it's working now, every time they get a blip,20solution. Maybe just for the Board's20we're tripped, we're the last ones to come21information, I can sort of give you a little21back on. We could be out for ten minutes, we22background in this. The way the protection23problem for us.24there's a disruption or an undervoltage24 (12:15 p.m.)				
14of protective relaying in Quebec itself, in14undervoltage protection. So, in the future,15the Blanc Sablon area. Our manager of system15if they get an undervoltage situation or a16performance protection and a regional manager16fault or whatever on their system, we will not17in Northern have had several telephone17be tripped. If they trip and then re-close,18conversations and conference calls with Hydro18we'll automatically be picked up. But the way19Quebec counterparts. We thing we worked up a19it's working now, every time they get a blip,20solution. Maybe just for the Board's20we're tripped, we're the last ones to come21information, I can sort of give you a little21back on. We could be out for ten minutes, we22background in this. The way the protection23problem for us.24there's a disruption or an undervoltage24 (12:15 p.m.)		- · ·		
15the Blanc Sablon area. Our manager of system15if they get an undervoltage situation or a16performance protection and a regional manager15if they get an undervoltage situation or a17in Northern have had several telephone16fault or whatever on their system, we will not18conversations and conference calls with Hydro18we'll automatically be picked up. But the way19Quebec counterparts. We thing we worked up a19it's working now, every time they get a blip,20solution. Maybe just for the Board's20we're tripped, we're the last ones to come21information, I can sort of give you a little21back on. We could be out for ten minutes, we22background in this. The way the protection22could be out for two hours. It's been a real23and control is set up there now is any time23problem for us.24there's a disruption or an undervoltage24 (12:15 p.m.)			14	•
16performance protection and a regional manager16fault or whatever on their system, we will not17in Northern have had several telephone17be tripped. If they trip and then re-close,18conversations and conference calls with Hydro18we'll automatically be picked up. But the way19Quebec counterparts. We thing we worked up a19it's working now, every time they get a blip,20solution. Maybe just for the Board's20we're tripped, we're the last ones to come21information, I can sort of give you a little21back on. We could be out for ten minutes, we22background in this. The way the protection22could be out for two hours. It's been a real23and control is set up there now is any time23problem for us.24there's a disruption or an undervoltage24 (12:15 p.m.)			15	
 in Northern have had several telephone conversations and conference calls with Hydro Quebec counterparts. We thing we worked up a solution. Maybe just for the Board's information, I can sort of give you a little background in this. The way the protection and control is set up there now is any time there's a disruption or an undervoltage in Northern have had several telephone be tripped. If they trip and then re-close, we'll automatically be picked up. But the way it's working now, every time they get a blip, we're tripped, we're the last ones to come back on. We could be out for ten minutes, we could be out for two hours. It's been a real problem for us. (12:15 p.m.) 				
18conversations and conference calls with Hydro18we'll automatically be picked up. But the way19Quebec counterparts. We thing we worked up a18we'll automatically be picked up. But the way20solution. Maybe just for the Board's19it's working now, every time they get a blip,21information, I can sort of give you a little21back on. We could be out for ten minutes, we22background in this. The way the protection22could be out for two hours. It's been a real23and control is set up there now is any time23problem for us.24there's a disruption or an undervoltage24 (12:15 p.m.)	17		17	-
19Quebec counterparts. We thing we worked up a solution. Maybe just for the Board's19it's working now, every time they get a blip, 2020solution. Maybe just for the Board's information, I can sort of give you a little20we're tripped, we're the last ones to come21information, I can sort of give you a little21back on. We could be out for ten minutes, we22background in this. The way the protection and control is set up there now is any time23problem for us.24there's a disruption or an undervoltage24 (12:15 p.m.)	18	•	18	
 solution. Maybe just for the Board's information, I can sort of give you a little background in this. The way the protection and control is set up there now is any time there's a disruption or an undervoltage we're tripped, we're the last ones to come we're tripped, we're the last ones to come back on. We could be out for ten minutes, we could be out for two hours. It's been a real problem for us. (12:15 p.m.) 	19	-	19	
 information, I can sort of give you a little background in this. The way the protection and control is set up there now is any time there's a disruption or an undervoltage back on. We could be out for ten minutes, we could be out for two hours. It's been a real problem for us. (12:15 p.m.) 	20		20	
 background in this. The way the protection and control is set up there now is any time there's a disruption or an undervoltage 22 could be out for two hours. It's been a real problem for us. 24 (12:15 p.m.) 	21			
23and control is set up there now is any time23problem for us.24there's a disruption or an undervoltage24 (12:15 p.m.)	22	background in this. The way the protection	22	could be out for two hours. It's been a real
	23	and control is set up there now is any time	23	problem for us.
25 situation on the Blanc Sablon system, the 25 BROWNE, Q.C.:	24	there's a disruption or an undervoltage	24 ((12:15 p.m.)
	25	situation on the Blanc Sablon system, the	25 1	BROWNE, Q.C.:

Multi-PageTMNL Hydro's 2003 General Rate Application

	ober 24, 2003 Multi	-1 aş	ige NL Hydro's 2003 General Rate Application
	Page 137		Page 138
1	Q. So, how often are people experiencing outages	1	billing and paying bills and getting to a bank
2	there in that Lanse au Loup area? Once a	2	and getting their mail on time, but I gather
3	month or can you quantify -	3	that would be Mr. Banfield's area, is that
4	A. Oh, at times more frequent than that.	4	correct?
5	Q. But you feel that it has been resolved?	5	A. I can try to answer any questions you might
6	A. No, it hasn't been resolved. It's going to be	6	have.
7	resolved. We're working on it now. Like I	7	Q. You know about that as well?
8	said, we've had several discussions with our	8	A. I'll try, if you'd like.
9	counter parts at Hydro Quebec. We've come up	9	Q. Okay, because we had complaints from residents
10	with what we feel is a realistic solution to	10	of various communities concerning when they'd
11	solve, at least a good part of that problem	11	get their Hydro bill and it would come late
12	with regards to the undervoltage protection on	12	and they were having problems with the mail
13	the Blanc Sablon system. We have a meeting	13	generally, as I recall it, and therefore
14	scheduled with them for early November and by	14	couldn't take advantage of discounts and the
15	that time, we hope to put this whole thing in	15	like. What has Hydro done to address these
16	place and get that problem resolved.	16	concerns?
17	Q. Are there any other communities there that you	17	A. I can't offer any more light on that
18	should bring to our attention, other than	18	particular topic over and above what's in the
19	these where there are problems are experienced	19	report here. I mean, if you want to get into
20	along the North coast?	20	specifics of that. I actually thought you
21	A. No, there's no other problems up there that I	21	were talking about the over-the-counter
22	can think of off hand, certainly none of the	22	service in some of our areas. I think that's
23	significance that we have in the Lanse au Loup	23	better for Mr. Banfield.
24	area.	24	Q. Okay. So -
25	Q. Now, people were having problems, they were	25	A. I hope he'll forgive me.
	Page 139		Page 140
1	Q. Now, are you travelling to Labrador when we go	1	all the fuel. We provided some engineering
2	out to Labrador?	2	services to them in review of some of their
3	A. Yes, certainly.	3	technical specifications, drawings. We've
4	Q. And what about Mr. Banfield?	4	assisted them with commissioning activities
5	A. I'm sure he wouldn't miss it for the world	5	and all of those costs are recovered at cost.
6	(laughter).	6	Q. What kind of system did they put in a modern
7	Q. In reference to Labrador, when the relocation	7	community like that? What kind of generation,
8	was complete to Davis Inlet to the new	8	diesel generation was put in there?
9	location, the name escapes me right now.	9	A. It's very similar to what we put in in Nain.
10	A. Natuashish.	10	I think they have three units there. They
11	Q. Natuashish, okay. Is that now an area that	11	have plant automation there that will schedule
12	Hydro provides for?	12	the units on and off. It can do data logging
13	A. Hydro still is responsible for and provides	13	of various parameters in the plant. It's
14	services in Davis Inlet. That community is	14	pretty much, except for the size of the units,
15	not decommissioned yet; there are still	15	and I don't recall exactly what they were, but
16	customers there. We operate the Natuashish	16	it's pretty much along the lines of Nain, the
17	under an agreement with the Federal	17	Nain plant. As a matter of fact, I hope they
18	government, but it is still their facilities;	18	won't mind if I say, they used our
19	we are operating them for them.	19	specification for Nain for the Natuashish
20	Q. So, can you give us details of that. How	20	facility, in large part.
21	exactly does that work? Are you making money	21	Q. And because it'sit would be a new diesel up
22	on that, for instance?	22	there, I guess, a new diesel generation.
23	A. No, I'm sure we're not making money on it;	23	A. Three new engines in there, yes.
24	we're doing itwe provide operators and	24	Q. Okay. If you have a car, an older car, you
25	maintenance people as required. They provide		BROWNE, Q.C.:
1	representation integration	L	

Multi-PageTMNL Hydro's 2003 General Rate Application

	ober 24, 2003 Mult	1-1 a	age NL Hydro's 2003 General Rate Application
	Page 141		Page 142
1	got an old clunker on the road, we're told	1	is there different amounts of fuel that you
2	that's not very efficient from a gas	2	burn to produce a kilowatt hour in these
3	perspective and from a fuel perspective.	3	various diesels, dependant on their age?
4	Whereas if you go down to get a new car from	4	A. Yes, and not only depending oncertainly age
5	Tom Woodford, we're told that that can be very	5	is a factor, but the load profile and the
6	efficient from a fuel perspective. The newly	6	available capacities is also a factor. I
7	commissioned generation in Natuashish, how is	7	don't know how else to answer that, except I'm
8	that, from a fuel perspective, is that more	8	sure there are small differences throughout
9	efficient?	9	all of these systems. Again, depending upon
10	A. I would say the engines themselves are	10	the size of the units, the age of the units,
11	certainly more efficient than an older	11	the load profiles in the community themselves
12	generation engine, but again, you need to	12	that will affect marginally the number of
13	understand or have an appreciation for where	13	kilowatt hours per litre of fuel, but I don't
14	they're actually operating them. You operate	14	know -
15	these diesel engines down at low levels, low	15	Q. When you say marginally, a new diesel
16	loads, the inefficiency falls off fairly	16	generator as opposed to an older clunker that
17	quickly, but the automation system itself is	17	you might have there, somewhere along the
18	supposed to take care of that. It schedules	18	system, would there be savings in fuel by
19	units on and off to try and optimize	19	putting in a newer generator, rather than
20	performance of the various facilities in the	20	continuing with the older one? Have you done
21	plant depending upon the total load for the	21	an analysis of that as to what the fuel
22	plant.	22	savings would be?
23	Q. And because theall these different diesel	23	A. I specifically haven't done an analysis. I'm
24	generators that you have there along the north	24	5 6 1
25	east coast and indeed, into the south coast,	25	have done analyses of that with regards to the
	Page 143	;	Page 144
1	capital cost replacement of an existing engine	1	A. No, we are not.
2	with a new one and the result in fuel	2	2 Q. Why is that?
3	efficiencies. Again, on a personal basis, if	3	A. Some years ago, and again my knowledge on this
4	you wish, an opinion, I don't think it's cost	4	is limited. Some years ago we were asked,
5	effective to replace older type engines with	5	5 Hydro was asked to put together an estimate
6	new engines at the capital cost that we	6	for connecting the Voisey's Bay mine site with
7	experience just for the marginal savings of	7	a transmission line from, actually from
8	fuel.	8	Churchill Falls, I believe it was and the cost
9	Q. What would yougive me your definition of	9	of that transmission was prohibitive.
10	marginal savings? Would that be ten or	10	
11	fifteen percent or two percent or twenty	11	
12	percent? What do you say is a marginal saving	12	5 , 5 ,
13	of fuel by putting in a new diesel as opposed	13	1 0
14	to the older ones?	14	
15	A. I'm reluctant to put a number on it. I think	15	
16	what I'm saying is that looking at the capital	16	1
17	cost of a new diesel engine which could be in	17	
18	the order of a half a million dollars	18	
19	depending on the size and the incremental	19	*
20	savings in fuel efficiency, I think, at least	20	
21	on my own knowledge, that that is not cost	21	
22	effective.	22	
23	Q. In Voisey's Bay in Labrador, they must need	23	
24	some form of generation there as well. Is	24	1
25	Hydro involved in that generation?	25	5 MR. MARTIN:

Multi-PageTMNL Hydro's 2003 General Rate Application

Page 145 1 the site and I believe that particular tender 1 marginally again.	D 111
	Page 146
2 went to a local company, but the main power 2 Q. So what, you're losing cust	omers there, is
3 supply for the whole operation, if and when it 3 that it?	
4 gets up and going, has not been tendered yet, 4 A. I think that's probably a fact	or, yes.
5 to my knowledge. 5 Q. In terms of the diesels that ye	•
6 Q. On this issue of fuel and the age of your 6 Francois and Grey River	
7 diesels, can we just go to NP 39, please. 7 Islands, McCallum, Petites,	•
8 There's an attachment, if you go to page 3 of 8 Eastwell, Petites is gone no	ow too, I guess,
9 3, please. 9 isn't it?	
10 A. Okay. 10 A. Effective the end of this mor	1th.
11 Q. And we see there, your fuel budget as forecast 11 Q. Yes, okay, and Rencontre	East and St.
12 for the diesel on the Island Isolated system 12 Brendan's, what is the age of	
13 to be one million four hundred and ninety one 13 Are they modern or are they	
thousand and it's going down in 2004 to one 14 been subject to overhauls?	, ,
15 million three hundred and ninety thousand. 15 A. I actually think I have that in	formation here
16 Why is it going down? Just Harbour Deep, is 16 if I can find it. Bear with m	
17 it? 17 think that's referenced in CA	-
18 A. No, I think it's more than Harbour Deep. I 18 table on page 2 of 3 of CA 11	
19 think, generally speaking, on the Island 19 unit numbers and the age of	
20 Interconnected systems, our load growth is 20 diesels at each of our isolate	-
21 experiencing a minor decrease. Obviously, the 21 you'll see that some are fairl	
22 impact of Harbour Deep is there as well, but I 22 are fairly old.	,
think on the Island Isolated systems, if I 23 Q. What's the newest one?	
24 remember correctly, our load forecast is 24 A. The newest one, well, I see	e one in Black
25 marginally decreasing and I use that term 25 Tickle that's one year old. T	
Page 147	Page 148
1 should be fairly new; they're all one year 1 That term is not familiar to n	-
2 old. 2 Q. In terms of Black Tickle, if	
3 Q. Now, the one in Black Tickle, that's the 3 39.	,
4 newest one, is that burning less fuel than 4 A. NP?	
5 prior to when it was installed and how much 5 Q. Yes, let's go back to NP 39 for	or a moment. You
6 less fuel is it burning? 6 said Black Tickle is your new	
7 A. I can't answer that. I don't even know the 7 be more efficient.	
8 kilowatt capacity of that unit. I don't know 8 A. It's one of the newer ones th	ere, yeah. It's
9 the kilowatt capacity of the one it replaced. 9 one year old, you can see in	•
10 I am reluctant to say this, but I'll say it 10 39, yes.	
11 anyway, I'm sure it's more fuel efficient than 11 Q. We see that the fuel, it's but	rning in litres
12 the one it replaced because it would be the 12 in there, for 2003 was 500,2	
13 newer engine and now doubt the one it did 13 it's going up to 503,750. W	
14 replace was a significantly older one, but 14 if it's a newer model?	
again, I don't know the particulars, so I 15 (12:30 p.m.)	
16 really can't say. 16 A. I can only assume it's an inc	crease in load.
17 Q. Are these engines mechanical engines, the 17 There's been a load growth	
18 older ones and the newer ones electric 18 which was probably a driver	
19 engines? Is there a mechanicalthe generator 19 in the first place, and that's v	-
themselves, are they mechanical as opposed to 20 up the consumption of fuel.	-
120 and 120 are they incommended us opposed to 120 are the consumption of fuel.	nt of how much fuel
21 electric generators now? What's the 21 Q. Have you done an assessment	
	ew generator as
21 electric generators now? What's the 21 Q. Have you done an assessmen	-
21electric generators now?What's the21Q. Have you done an assessmen22difference?22you're burning, given the n	you burned from the

Multi-PageTMNL Hydro's 2003 General Rate Application

	oder 24, 2003 Mult	I-P2	age NL Hydro's 2003 General Rate Application
	Page 149		Page 150
1	A. I have not, but I know our operations people	1	available on that, Ms. Greene, wouldn't you
2	do a monthly production report by the plant,	2	think?
3	so I'm sure they have a good fix on the fuel	3	GREENE, Q.C.:
4	efficiencies of each one of the engines in	4	Q. Well, we certainly will look to see if they
5	their systems. But I have not done it.	5	are available. The undertaking with respect
6	Q. Has an analysis been done of whether or not	6	to the difference in fuel consumption between
7	when you undertake a new generator like such	7	the new and old unit in Black Tickle and an
8	as in Black Tickle, if it's better to purchase	8	undertaking with respect to whether we've
9	or to lease that generator?	9	analyzed purchasing versus leasing a diesel
10	A. I'm not aware of any such analysis that we	10	unit for, as Mr. Martin said, prime power
11	would actually lease a unit for a prime power	11	supply. So there's two undertakings.
12	application. We may have looked at that. We	12	BROWNE, Q.C.:
13	probably have, but I can't say for sure that	13	Q. Okay. If it's available, I wouldn't mind
14	we have.	14	having that before Mr. Martin left the stand
15	Q. Just can you undertake to find out about that,	15	actually. In terms of CA-117 again, you said
16	if Hydro has undertaken any such analysis,	16	Black Tickle as one of the newer ones. What
17	prior to embarking upon purchases of these	17	is one of the older ones that are here?
18	diesel generators, whether it's more	18	A. Well, the other two in Black Tickle are 25
19	economical to lease as opposed to purchase?	19	years old. We have a couple of units at
20	And also, can you undertake to provide us with	20	L'Anse au Loup that are 28. There's one in
20	the information in reference to Black Tickle,	21	Francois that's 30. There's a couple of the
$21 \\ 22$	to show us the fuel in litres that was burned	22	units that we hopefully will retire in Davis
23	from the old generator as opposed to what's	23	Inlet that are 28 and 29 years old.
23	going on now in the new generator?	23	Q. Okay. So when I look at NP-39 and look at
24	(Undertaking) There should be figures	25	Black Tickle and see the fuel is 500,000 and
23		23	· · ·
	Page 151		Page 152
1	the projected fuel is 503,000, that's for	1	supplies these three engines. The tanks are
2	combined all three generators? It doesn't	2	dipped once a month to get the fuel
3	give any comparator of the new versus the old	3	consumption and reconcile it with the total
4	or anything?	4	production. So to try and split up the amount
5	A. No, that's right. That's the plant	5	of fuel burned amongst the three engines in
6	consumption.	6	the plant is going to be, I think, an
7	Q. Okay. So I don't know, based on that, if	7	extremely difficult, if not impossible,
8	you're doing well or if you're doing not by	8	exercise.
9	installing the new one or what the difference	9	Q. So the fuel all comes from the same source and
10	is between the new one and the old one?	10	you don't know how much fuel is burned per
11	A. Not on this. All you can tell is that we're	11	generator there?
12	burning more fuel.	12	A. No, I don't think we do.
13	Q. Okay. But in terms of the numbers and the	13	Q. Can you find out with certainty?
14	statistics you keep yourself, Ms. Greene, can	14	A. Absolutely, yes.
15	you undertake to provide us on the unit	15	Q. And that could be part of that undertaking, to
16	number, the amount of fuel for each unit	16	advise us of whether that figure is available.
17	number? (Undertaking) So that we can get a	17	(Undertaking)
18	comparator of the new versus the old. And you	18	A. Yes.
19	said the Black Tickle generator cost a half	19	Q. So therefore, we can just assume that the new
20	million dollars? Was that your figure or did	20	generators are doing a bit better than the old
21	you know?	21	generator. You don't know for a fact if they
22	A. No, I don't know. And again, in thinking	22	are or if they're not.
100	about this, I am not sure that we're going to	23	A. Well, the factor acceptance testing for every
23			
23 24 25	be able to distinguish the fuel for that particular unit. There's a common tank that	24	generator, there is a fuel consumption run MR. MARTIN:

Multi-PageTMNL Hydro's 2003 General Rate Application

	ober 24, 2005 Mulu	-rag	ge NL Hydro's 2005 General Rate Application
	Page 153		Page 154
1	done, so that we know and can verify the fuel	1	those savings.
2	efficiency of the unit, as compared to	2	Q. What if it were to save 10 or 15 percent on
3	specification. So before the unit leaves the	3	the fuel budget generally? You got a \$ 7
4	factory, we know what efficiency it will meet.	4	million budget there. It would save 10 or 15
5	Q. And in terms of those efficiencies, when you	5	percent. That would be a million dollars
6	look at the total cost for fuel on the coast	6	there at 15 percent. Have youthat's why I'm
7	of Labrador, the total diesel budget for the	7	concerned about the analysis, what kind of
8	Labrador and the island, we're into \$7	8	analysis has been done here, and you can't
9	million, 7 $1/2$ million dollars. What is the	9	comment on that?
10	plan here to try to bring that consumption	10	A. No. No, I can't.
11	down through the use of more efficient	11	Q. And you can't comment on any analysis that's
12	generators? Is there any such plant or any	12	been done in reference to leasing versus
13	such analysis been done?	13	purchasing these diesels?
14	A. As I mentioned before, again, I can't say	14	A. No, we have undertaking to provide that to
15	specifically that this has been done, but I	15	you.
16	don't believe there's any savings to be had by	16	Q. And in a place like Voisey's Bay, if Voisey's
17	replacing. As long as the unit is operable,	17	Bay has gone with a private company, for
18	it's reasonably efficient, it's not at the end	18	instance, to install a diesel and to do
19	of its useful life, to change out that	19	maintenance there, would that surprise you if
20	generator with a new one that is more fuel	20	they, in fact, have gone ahead and done that,
21	efficient is not cost effective. You may save	21	ignoring Hydro in reference to that particular
22	some minor dollars on the bottom line of your	22	matter?
23	fuel expense, but the capital cost to buy it,	23	A. Not one bit.
24	install it, commission it and everything else	24	Q. Would they do that because it may be more
25	is going to far outweigh, in my mind, any of	25	efficient for them to do that than through the
	Page 155		Page 156
1	services of Hydro? Would you think a private	1	or not, I'm not 100 percent sure.
2	company would have a cost consideration?	2	Q. How are you certain that you're recovering all
3	A. Well, I would hope that any private company	3	your costs in reference to there?
4	would have a cost consideration. As I	4	A. Because, again, we've opened up a work order
5	mentioned before, Hydro has expressed an	5	within TRO and all of the services that we
6	interest in Voisey's Bay in providing that	6	provide are captured and coded to that
7	service. We cannot force them to give us that	7	particular work order, and then on a monthly
8	opportunity, but I am certain that if we had	8	basis, we bill them for those costs.
9	an opportunity, we would be very cost	9	Q. Would you -
10	competitive with anybody else who would make a	10	A. Including overheads, by the way.
11	proposal on such a specification.	11	Q would any consideration have been given to
12	Q. If we can go back to Natuashish for a moment,	12	do it on a cost plus basis, if that's a
13	you said that you're dealing with the Federal	13	service that the Federal Government requires?
14	Government in reference to that. Are you	14	A. I do believe there was consideration given to
15	actually making money or are you just	15	that, but given the fact that we are probably
16	actually making money of are you just		
1	providing the service?	16	going to be asked to take over that particular
17		16 17	going to be asked to take over that particular facility in the near future, we decided that,
17 18	providing the service?		
1	providing the service? A. We are providing the service at cost.	17	facility in the near future, we decided that,
18	providing the service? A. We are providing the service at cost. Q. At cost?	17 18	facility in the near future, we decided that, on an advisory type basis to the Federal
18 19	providing the service? A. We are providing the service at cost. Q. At cost? A. Yes.	17 18 19	facility in the near future, we decided that, on an advisory type basis to the Federal Government, that we would just recover costs,
18 19 20	providing the service?A. We are providing the service at cost.Q. At cost?A. Yes.Q. Why would you do that? Is that a Federal	17 18 19 20	facility in the near future, we decided that, on an advisory type basis to the Federal Government, that we would just recover costs, with no markup.
18 19 20 21	providing the service?A. We are providing the service at cost.Q. At cost?A. Yes.Q. Why would you do that? Is that a Federal territory or is that a Federal reserve that's	17 18 19 20 21	facility in the near future, we decided that,on an advisory type basis to the FederalGovernment, that we would just recover costs,with no markup.Q. Now the recovery of costs into that, into that
18 19 20 21 22	providing the service?A. We are providing the service at cost.Q. At cost?A. Yes.Q. Why would you do that? Is that a Federal territory or is that a Federal reserve that's there?	17 18 19 20 21 22	facility in the near future, we decided that, on an advisory type basis to the Federal Government, that we would just recover costs, with no markup.Q. Now the recovery of costs into that, into that particular community, how does that relate

Multi-PageTMNL Hydro's 2003 General Rate Application

1A. It doesn't.1generally, and how to decrease the Rural2Q. You're saying it's not costing Hydro anything?2Deficit. Are you prepared to do that or is3So it doesn'tit's a break-even basis?3that more Mr. Banfield?4A. That's right.3C. I'm prepared to speak to some of the5Q. The way it's -5initiatives that TRO specifically has6A. That's right.6undertaken, like the DSR initiative, RCM.7Q. And who's in charge of tracking that at Hydro7Q. Okay. Well maybe can you tell us about that?8we're not losing money in reference to this9with the Rural Deficit in these isolated10particular portion, where Hydro is just10areas?11A. The responsibility, I would say, is at the12Greene, we've done everything from13manager level, the director level in TRO13interconnections, where they're cost effective14engineering, that they have a work order14to do so, to changing out the light fixtures15raised and all costs associated with that15in our diesel plants to try and be more16project and the services that we provide to162017Q. Okay. We'll leave this area of the fuel and19recall from a previous hearing, which they had20the disels until we can get some further20What about in the homes? Some years ago,18Hydro undertook a conservation program, as I21pilot project in reference to conservation an		1001 24, 2003 With		
2 0. You're saying it's not costing Hydro anything? 2 Deficit. Are you prepared to do that or is that more Mr. Banfield? 3 So it doesn'tit's a break-even basis? 3 that more Mr. Banfield? 4 A That's right. 4 That's right. 4 7 Q. And who's in charge of tracking that at Hydro 5 0. Okay. Well maybe can you tell us about that? 8 we're not losing money in reference to this 6 undertaken, like the DSR initiative, RCM. 9 A. The responsibility. I would say, is at the 12 areas? 11 providing the service at cost? 13 areas? 12 A. The responsibility. I would say, is at the 13 areas? 13 manager level, the director level in TRO 13 interconnections, where they rece cost effective 14 project and the services that we provide to 14 15 conservative. 15 raised and all costs associated with that 15 recourerd. 17 Q. Mat about in the homes? Some years ago, 16 project are costed to that account and 17 Q. We'll eave this area of the fuel and 16 recourerd. 10 O. Kay. We'll l		Page 157		Page 158
3So it deesn't-it's a break-even basis?3that more Mr. Banfield?4A. That's right.4A. I'm prepared to speak to some of the initiatives that TR0 specifically has6A. That's right.670. And who's in charge of tracking that at Hydro particular portion, where Hydro is just78to make sure that it is break-even and that99particular portion, where Hydro is just710particular portion, where Hydro is just111amager level, the director level in TR0112A. The responsibility. I would say, is at the manager level, the director level in TR01113manager level, the director level in TR01014engineering, that they have a work order1115rise associated with that1016project and the services that we provide to in for diesel plants to try and be more17that project are costed to that account and the diesels until we can get some further in information. On October 20th, 1 think Mr.18Q. Okay. We'll leave this area of the fuel and information. On October 20th, 1 think Mr.19Q. Do you have any information in reference to communities?24A. Only in the context of what you've just mentioned. I know we kave given contact fuorsectent lighting to various communities to we offered a program whereby we tried to underska ta sub form tow siste try and defer, if you will, the capacity sincreasent in that particular community. I know we offered a program whereby we tried to underska so to conservation are first and foremost be				
4 A. That's right. 4 A. I'm prepared to speak to some of the initiatives. Rest Tricto specifically has unitiatives. Rest Tricto Specifically has unitiatives. Rest Tricto Specifically has unitiatives. Rest Trictors Is break-even and that 7 Q. And who's in charge of tracking that at Hydro is the maybe can you tell us about that? 8 V That maybe can you tell us about that? 9 Q. Okay. Well maybe can you tell us about that? 10 particular portion, where Hydro is just 10 11 manager level, the director level in TRO 13 12 A. The responsibility. I would say, is at the 12 13 manager level, the director level in TRO 13 14 that project are costed to that account and 15 in our dises! plants to try and be more 16 project and the services that we provide to 1 17 Q. What about in the homes? Some years ago. 18 recovered. 18 Hydro undertook a conservation and 19 Q. Okay. We'll leave this area of the fuel and 19 recall from a previons hearing, which they had 20 Okay. We'll leave this area of the fuel and 19 recall from a previons hearing, which they had 21 information. On Corbor 20th. think Mr. 19 <td< td=""><td>2</td><td></td><td>2</td><td></td></td<>	2		2	
5 0. The way it's - 5 5 initiatives that TRO specifically has undertaken, like the DSR initiative, RCM. 6 A. That's right. 6 O. And who's in charge of tracking that at Hydro to make sure that it is break-even and that we're not losing money in reference to this 7 O. Okay. Well maybe can you tell us about that? 9 we're not losing money in reference to this 9 with the Rural Deficit in these isolated areas? 11 providing the service at cost? 11 A. The responsibility. I would say, is at the 13 manager level, the director level in TRO 13 interconnections, where they're cost effective to do so, to changing out the light fixtures 16 project and the services that we provide to 16 17 that project are costed to that account and 17 that project are costed to that account and 17 Q. What about in the homes? Some years ago, 18 Hydro undertook a conservation program, as I 17 receall from a previous hearing, which they had a puble to a unuber of communities were subject to a pilot project in reference to conservation and demanagement initiatives whereby 2 the HYDROWISE Program, and the Rural Deficit 2 A. Yes. 7 Q. Do you have any information in reference to anservation are first and foremost being come sintulay articular commu	1			
6 A. That's right. 6 undertaken, like the DSR initiative, RCM. 7 Q. And who's in charge of tracking that at Hydro 6 OKay. Well maybe can your tell us about that? 8 Waste start that it is break-even and that 9 We're not losing money in reference to this 9 9 particular portion, where Hydro is just 10 areas? 0. Okay. Well maybe can your tell us about that? 12 A. The responsibility. I would say, is at the 12 A. Well, a noted in my direct examination by Ms. 13 manager level, the director level in TRO 13 incorconnections, where they're cost effective 14 engineering, that they have a work order 14 to do so to changing out the light fixtures 15 raised and all costs associated with that 15 in our dissel plants to try and be more 16 project and the services that we provide to an econvertain. 14 14 14 14 18 recovered. 18 recovered. 18 anumber of communities were subject to a 21 information. On October 20th, I think Ir. 21 pilot project in reference to conservation and 22 23 you would be able to tell us about initiatives.<	4		4	
7 Q. And who's in charge of tracking that at Hydro 7 Q. Okay. Well maybe can you tell us about that? 8 to make sure that it is break-even and that 8 What initiatives has Hydro undertaken to deal 9 we're not losing money in reference to this 9 What initiatives has Hydro undertaken to deal 10 particular portion, where Hydro is just 10 A. The responsibility, I would say, is at the 13 manager level, the director level in TRO 11 A. Well, as noted in my direct examination by Ms. 16 engineering, that they have a work order 11 A. Well anybe can you tell us about that 16 project and the services that we provide to 16 conservative. 17 U. Mhat about in the homes? Some years ago, Hydro undertook a conservation program, as I 18 recovered. 18 recall from a previous hearing, which they had 21 information. On October 20th, I think Mr. 21 pilot project in recforence to conservation and 23 yow would be able to tell us about initiatives 23 they were given fluorescent lights and wraps 24 undertaken in isolated areas in reference to 24 what's gone on in the past in some of these 2	5	-	5	- ·
8 to make sure that it is break-even and that 8 What initiatives has Hydro undertaken to deal 9 we're not losing money in reference to this 9 with the Rural Deficit in these isolated 11 providing the service at cost? 11 A. The responsibility, I would say, is at the 13 12 A. The responsibility, I would say, is at the 13 interconnections, where they're cost effective 14 engineering, that they have a work order 14 to do s, to changing out the light fixtures 15 raised and all costs associated with that 16 conservative. 17 that project and the services that we provide to 16 conservative. 18 recovered. 19 econservation and 20 the disesels until we can get some further 18 modertaken in isolated areas in reference to 21 information. On Cotober 20th, I think Mr. 21 pilot project in reference to and sever we subject to a 22 would ab able to tell us about initiatives 24 for bollers, et cetera. 23 undertaken in isolated areas in reference to 24 for bollers, et cetera.	6		6	
9 we're not losing money in reference to this 9 with the Rural Deficit in these isolated 10 particular portion, where Hydro is just 10 11 A. The responsibility, I would say, is at the 11 12 A. The responsibility, I would say, is at the 12 13 manager level, the director level in TRO 13 14 to do so, to changing out the light fixtures 16 15 raised and all costs associated with that 15 16 project are costed to that account and 17 17 O. What about in the homes? Some years ago, 18 recourded. 18 19 O. Okay. We'll leave this area of the fuel and 19 19 O. Okay. We'll leave this area of the fuel and 10 10 the disesls until we can get some further 20 11 normation. On October 20th, I think Mr. 21 21 information in reference to 22 3 you would be able to tell us about initiatives 23 4 NOHYDE WYER Program, and the Rural Deficit 24 5 mentioned. I know we have given contact 6	7		7	
10 particular portion, where Hydro is just 10 areas? 11 providing the service at cost? 11 A. The responsibility, I would say, is at the 13 manager level, the director level in TRO 13 Greene, we've done everything from 14 engineering, that they have a work order 14 15 Greene, we've done everything from 14 interconnections, where they're cost effective 16 oo, to changing out the light fixtures 15 raised and all costs associated with that 15 in our diesel plants to try and be more 16 project and the services that we provide to 16 conservative. 18 recovered. 17 Q. What about in the homes? Some years ago, 19 o. Cokay. We'll leave this area of the fuel and 19 recall from a previous hearing, which they had 20 the disests until we can get some further 20 information. On October 20th, I think Mr. 22 21 information. In reference to 24 pilot project in reference to 25 24 undertaken in isolated areas in reference to 25 A Yes. Page 160 22 what's gone on in the pasti is some of these	8		8	•
11 providing the service at cost? 11 A. Well, as noted in my direct examination by Ms. 12 A. The responsibility. I would say, is at the 13 Greene, we've done everything from 12 manager level, the director level in TRO 13 interconnections, where they're cost effective 14 engineering, that they have a work order 14 in our diesel plants to try and be more 15 raised and all costs associated with that 15 in our diesel plants to try and be more 17 that project and the services that we provide to 16 conservative. 18 recovered. 18 Hydro undertook a conservation program, as I 10 O. Clay. We'll leave this area of the fuel and 19 recall from a previous hearing, which they had 21 information. On October 20th, I think Mr. 21 pilot project in reference to conservation and 23 you would be able to tell us about initiatives 23 the HYDROWISE Program, and the Rural Deficit 24 undertaken in isolated areas in reference to 24 for boilers, et cetera. 25 the HYDROWISE Program whereby we tried to 2 A. Only in the context of what you've just 4 HYDROWISE Program going into these co	9	we're not losing money in reference to this	9	with the Rural Deficit in these isolated
12 A. The responsibility, I would say, is at the manager level, the director level in TRO 12 Greene, we've done everything from interconnections, where they're cost effective it do do so, to changing out the light fixtures in our diesel plants to try and be more conservative. 15 raised and all costs associated with that 15 in our diesel plants to try and be more conservative. 16 project are costed to that account and the diesels until we can get some further 16 17 18 19 Q. Okay, We'll leave this area of the fuel and the diesels until we can get some further 18 Hydro undertook a conservation program, as I recall from a previous hearing, which they had a number of communities were subject to a plot project in reference to conservation and demanagement initiatives whereby they were given fluorescent lights and wraps 17 Q. Do you have any information in reference to 24 A Yes. 19 Q. Do you have any information in reference to 25 A Yes. 11 we offered a program whereby we tried to 10 Where are we with it now? It seems we're in a state of flux here, just from the answer 2 montoned. I know we have given contact 5 10 Q. Where are such that by saying that 4 A. Only in the context of what you've just 5 10 Others, and foremost being 7 tr	10		10	areas?
13 manager level, the director level in TRO 13 interconnections, where they're cost effective 14 engineering, that they have a work order 14 to do so, to changing out the light fixtures 15 raised and all costs associated with that 15 in our dises! plants to try and be more 16 project and the services that we provide to 16 in our dises! plants to try and be more 17 that project are costed to that account and 17 Q. What about in the homes? Some years ago, 18 recoursed. 18 Hydro undertook a conservation program, as I 19 Q. Okay. We'll leave this area of the fuel and 19 recall from a previous hearing, which they had 20 the dises!s until we can get some further 20 a number of communities were subject to a 21 information. On October 20th, I think Mr. 21 pilot project in reference to conservation and demanagement initiatives whereby 23 you would be able to tell us about initiatives 23 the HYDROWISE Program going into these communities 2 the HYDROWISE Program going into these communities 10 Q. Where are we with it now? It seems we're in a 2 the HYDROWISE Program going into these communities 11 <t< td=""><td>11</td><td>· · ·</td><td>11</td><td>A. Well, as noted in my direct examination by Ms.</td></t<>	11	· · ·	11	A. Well, as noted in my direct examination by Ms.
14 engineering, that they have a work order 14 to do so, to changing out the light fixtures 15 raised and all costs associated with that 15 in our diesel plants to try and be more 16 project and the services that we provide to 16 conservative. 17 that project are costed to that account and 17 Q. Okay. We'll leave this area of the fuel and 19 Q. Okay. We'll leave this area of the fuel and 19 recovered. 18 Hydro undertook a conservation program, as I 19 Q. Okay. We'll leave this area of the fuel and 19 recall from a previous hearing, which they had 20 the diesels until we can get some further 20 a number of communities were subject to a 21 information. On October 20th, I think Mr. 21 pilot project in reference to conservation and 23 you would be ablo to till us bout initiatives 22 demand side management initiatives whereby 24 undertaken in isolated areas in reference to 24 Foge 159 Page 160 2 what's gone on in the past in some of these 2 state of flux here, just from the answer 3 you're giving me. Is there a particular 4 A. Onl	12	A. The responsibility, I would say, is at the	12	
15 raised and all costs associated with that 15 in our diesel plants to try and be more 16 project and the services that we provide to 16 conservative. 17 that project are costed to that account and 17 Q. What about in the homes? Some years ago, 18 recovered. 18 Hydro undertook a conservation program, as I 20 O. Okay. We'll leave this area of the fuel and 19 recall from a provious hearing, which they had 20 information. On October 20th, I think Mr. 21 a number of communities were subject to a 21 information. On October 20th, I think Mr. 22 a number of communities were subject to a 22 you would be able to tell us about initiatives 23 they were given fluorescent lights and wraps 24 undertaken in isolated areas in reference to 24 for boilers, et cetera. 25 25 the HYDROWISE Program, and the Rural Deficit 25 A. Only in the context of what you've just 4 4 A. Only in the context of what you've just 5 in order to ensure that the rules of 6 fluorescent lighting to various communities 5 in order to ensure that the rules of 6	13	manager level, the director level in TRO	13	interconnections, where they're cost effective
16 project and the services that we provide to 16 conservative. 17 that project are costed to that account and 17 Q. What about in the homes? Some years ago, 18 recovered. 18 What about in the homes? Some years ago, 19 Q. Okay. We'll leave this area of the fuel and 18 18 20 the diesels until we can get some further 20 a number of communities were subject to a 21 information. On October 20th, I think Mr. 21 pilot project in reference to conservation and 23 you would be able to tell us about initiatives 23 interval 23 you would be able to tell us about initiatives 24 a number of communities were subject to a 24 undertaken in isolated areas in reference to 25 A Yes. 7 Page 150 Q. Where are we with it now? It seems we're in a 3 state of flux here, just from the answer you're giving me. Is there a particular 4 A. Only in the context of what you've just 5 in order to ensure that the rules of 6 fluorescent lighting to various community. I know 8 A. I think I can answer that by saying that 9 we o	14	engineering, that they have a work order	14	to do so, to changing out the light fixtures
17that project are costed to that account and recovered.17Q. What about in the homes? Some years ago, Hydro undertook a conservation program, as I recall from a previous hearing, which they had a number of communities were subject to a pilot project in reference to conservation and demand side amagement initiatives whereby 23 you would be able to tell us about initiatives 23 417Q. What about in the homes? Some years ago, Hydro undertook a conservation program, as I recall from a previous hearing, which they had a number of communities were subject to a a number of communities were subject to a a number of communities were subject to a a number of communities were subject to a pilot project in reference to conservation and demand side management initiatives whereby 23 they were given fluorescent lights and wraps 24 or boilers, et cetera.25the HYDROWISE Program, and the Rural Deficit what's gone on in the past in some of these what's gone on in the past in some of these communities?1Q. Where are we with it now? It seems we're in a state of flux here, just from the answer you're giving me. Is there a particular4A. Only in the context of what you've just increase in that particular community. I know we offered a program whereby we tried to encourage people to replace their electric hot 10 encourage people to replace their electric hot 11 water boilers with oil-fired hot water boilers and give them a financial incentive. I 12 and give them a financial incentive. I 13 believe it was \$500 to do so. The result of 14 that particular initiative, as I understand 14 that particular initiative, as I understand 15 very interested to see that we're going to 16 Q. Yes, I'm sure people jumped at the opportunity <b< td=""><td>15</td><td>raised and all costs associated with that</td><td>15</td><td>in our diesel plants to try and be more</td></b<>	15	raised and all costs associated with that	15	in our diesel plants to try and be more
18 recovered. 18 Hydro undertook a conservation program, as I 19 Q. Okay. We'll leave this area of the fuel and 19 recall from a previous hearing, which they had 20 the diesels until we can get some further 20 a number of communities were subject to a 21 information. On October 20th, I think Mr. 22 pilot project in reference to conservation and 22 Roberts was on the stand, and he told us that 22 demand side management initiatives whereby 23 you would be able to tell us about initiatives 23 they were given fluorescent lights and wraps 24 undertaken in isolated areas in reference to 24 for boilers, et cetera. 2. 25 the HYDROWISE Program, and the Rural Deficit 2 A. Yes. Page 160 2 what's gone on in the past in some of these 2 state of flux here, just from the answer 2 3 you're giving me. Is there a particular 4 HYDROWISE Program going into these communities 5 4 A. Only in the context of what you've just 4 hTDROWISE Program going into these communities 5 5 mentioned. I know we have given contact 6 conservation aref	16	project and the services that we provide to	16	conservative.
19Q. Okay. We'll leave this area of the fuel and the diesels until we can get some further19recall from a previous hearing, which they had a number of communities were subject to a pilot project in reference to conservation and pilot project in reference to conservation and undertaken in isolated areas in reference to the HYDROWISE Program, and the Rural Deficit19recall from a previous hearing, which they had a number of communities were subject to a pilot project in reference to conservation and pilot project in reference to conservation and whereby they were given fluorescent lights and wraps for boilers, et cetera.24undertaken in isolated areas in reference to undertaken in isolated areas in reference to what's gone on in the past in some of these communities?24A. Yes.7Q. Do you have any information in reference to what's gone on in the past in some of these communities?1Q. Where are we with it now? It seems we're in a state of flux here, just from the answer you're giving me. Is there a particular HYDROWISE Program going into these communities to inorder to ensure that the rules of conservation are first and foremost being observed?3we offered a program whereby we tried to lo encourage people to replace their electric hot it water boilers with oil-fired hot water boilers it, was not all that effective. It was - lo Q. Yes, I'm sure people jumped at the opportunity to purchase oil on the coast of Labrador.184A. Well, I think the takeup was actually in St. A. Well, I think the takeup was actually in St. aresons. So, you know, no, I can't give you specifics about each ome of these individual192were fiftes about each ome of these individual 	17	that project are costed to that account and	17	
20the diesels until we can get some further20a number of communities were subject to a21information. On October 20th, I think Mr.21pilot project in reference to conservation and22Roberts was on the stand, and he told us that22a number of communities were subject to a23you would be able to tell us about initiatives23they were given fluorescent lights and wraps24undertaken in isolated areas in reference to24for boilers, et cetera.25the HYDROWISE Program, and the Rural Deficit25A. Yes.Page 1591Q. Do you have any information in reference to2what's gone on in the past in some of these23communities?34A. Only in the context of what you've just45mentioned. I know we have given contact56fluorescent lighting to various communities to67try and defer, if you will, the capacity78increase in that particular community. I know89we offered a program whereby we tried to910encourage people to replace their electric hot1011water boilers with oil-fired hot water boilers1112and give them a financial incentive. I1213believe it was \$500 to do so. The result of1314that particular initiative, as I understand1415it, was not all that effective. It was -1516Q. Yes, I'm sure people jumped at the oppor	18		18	Hydro undertook a conservation program, as I
21information. On October 20th, I think Mr.21pilot project in reference to conservation and demand side management initiatives whereby they were given fluorescent lights and wraps to bilders, et cetera.22undertaken in isolated areas in reference to 24undertaken in isolated areas in reference to 25they were given fluorescent lights and wraps 2425the HYDROWISE Program, and the Rural Deficit25A. Yes.26Page 15920Q. Where are we with it now? It seems we're in a state of flux here, just from the answer you're giving me. Is there a particular 43communities?34A. Only in the context of what you've just 5mentioned. I know we have given contact 616fluorescent lighting to various community. I know 9we offered a program whereby we tried to 1099we offered a program whereby we tried to 11water boilers with oil-fired hot water boilers 111112and give them a financial incentive. I 13believe it was \$500 to do so. The result of 141314that particular initiative, as I understand 1414understand 1415very interested to see that we're going to 14 was not all that effective. It was - 161316Q. Yes, I'm sure people jumped at the opportunity 17to purchase oil on the coast of Labrador.18A. Well, I think the takeup was actually in St. 19A. Well, I think that we have undertaken20specifics about each one of these individual 212121arces, to try and get	19	Q. Okay. We'll leave this area of the fuel and	19	recall from a previous hearing, which they had
22Roberts was on the stand, and he told us that you would be able to tell us about initiatives you would be able to tell us about initiatives undertaken in isolated areas in reference to the HYDROWISE Program, and the Rural Deficit22demand side management initiatives whereby they were given fluorescent lights and wraps for boilers, et cetera.25the HYDROWISE Program, and the Rural Deficit25A. Yes.26Page 159 Page 159Q. Where are we with it now? It seems we're in a state of flux here, just from the answer you're giving me. Is there a particular4A. Only in the context of what you've just 5mentioned. I know we have given contact 61Q. Where are we with it now? It seems we're in a state of flux here, just from the answer 35in order to ensure that the rules of fluorescent lighting to various communities to rty and defer, if you will, the capacity 87observed?8increase in that particular community. I know 98A. I think I can answer that by saying that HYDROWISE initiative, and that's basically an information program to try and get, as you say, the rules of conservation out to the 1310encourage people to replace their electric hot 111113believe it was \$500 to do so. The result of 141314that particular initiative, as I understand 151415it, was not all that effective. It was - 161516Q. Yes, I'm sure people jumped at the opportunity 171617take it into the schools in some of these 1618A. Well, I think the takeup was actually in	20	the diesels until we can get some further	20	a number of communities were subject to a
23you would be able to tell us about initiatives23they were given fluorescent lights and wraps24undertaken in isolated areas in reference to24for boilers, et cetera.25the HYDROWISE Program, and the Rural Deficit25A. Yes.Page 1591Q. Do you have any information in reference to2what's gone on in the past in some of these23communities?3you're giving me. Is there a particular4A. Only in the context of what you've just4HYDROWISE Program going into these communities5mentioned. I know we have given contact5in order to ensure that the rules of6fluorescent lighting to various communities to6conservation are first and foremost being7try and defer, if you will, the capacity7observed?8increase in that particular community. I know8A. I think I can answer that by saying that9we offered a program whereby we tried to9Hydro's formal DSM initiative right now is the11water boilers with oil-fired hot water boilers1112and give them a financial incentive. I1213believe it was \$500 to do so. The result of1314that particular initiative, as I understand1415it, was not all that effective. It was -1516Q. Yes, I'm sure people jumped at the opportunity1617to purchase oil on the coast of Labrador.1718A. Well, I think the takeup was actual	21	information. On October 20th, I think Mr.	21	pilot project in reference to conservation and
24 undertaken in isolated areas in reference to 24 for boilers, et cetera. 25 the HYDROWISE Program, and the Rural Deficit 25 A. Yes. Page 159 1 Q. Do you have any information in reference to 1 Q. Where are we with it now? It seems we're in a 2 what's gone on in the past in some of these 2 state of flux here, just from the answer 3 communities? 3 you're giving me. Is there a particular 4 A. Only in the context of what you've just 4 HYDROWISE Program going into these communities 5 mentioned. I know we have given contact 6 conservation are first and foremost being 7 try and defer, if you will, the capacity 7 observed? 8 increase in that particular community. I know 8 A. I think I can answer that by saying that 9 we offered a program whereby we tried to 9 Hydro's formal DSM initiative right now is the 11 water boilers with oil-fired hot water boilers 11 information program to try and get, as you 12 and give them a financial incentive. I 12 say, the rules of conservation out to the 13 believe it	22	Roberts was on the stand, and he told us that	22	demand side management initiatives whereby
25 the HYDROWISE Program, and the Rural Deficit 25 A. Yes. Page 159 Page 160 1 Q. Do you have any information in reference to 1 Q. Where are we with it now? It seems we're in a 2 what's gone on in the past in some of these 2 state of flux here, just from the answer 3 communities? 3 you're giving me. Is there a particular 4 A. Only in the context of what you've just 4 HYDROWISE Program going into these communities 5 mentioned. I know we have given contact 5 in order to ensure that the rules of 6 fluorescent lighting to various communities to 6 conservation are first and foremost being 7 try and defer, if you will, the capacity 7 observed? 8 increase in that particular community. I know 8 A. I think I can answer that by saying that 9 we offered a program whereby we tried to 9 Hydro's formal DSM initiative right now is the 11 water boilers with oil-fired hot water boilers 11 information program to try and get, as you 12 and give them a financial incentive. I 13 people. It's being done through, as I 13	23	you would be able to tell us about initiatives	23	they were given fluorescent lights and wraps
Page 159Page 1601Q. Do you have any information in reference to what's gone on in the past in some of these communities?1Q. Where are we with it now? It seems we're in a state of flux here, just from the answer you're giving me. Is there a particular4A. Only in the context of what you've just 53you're giving me. Is there a particular5mentioned. I know we have given contact 66in order to ensure that the rules of 616fluorescent lighting to various communities to 77try and defer, if you will, the capacity 878increase in that particular community. I know 98A. I think I can answer that by saying that 99we offered a program whereby we tried to 109Hydro's formal DSM initiative right now is the 911water boilers with oil-fired hot water boilers 1111information program to try and get, as you 1212and give them a financial incentive. I 1312say, the rules of conservation out to the 1314that particular initiative, as I understand 1414understand it, mail outs to customers. I was 1516Q. Yes, I'm sure people jumped at the opportunity 16161717to purchase oil on the coast of Labrador. 19181819Anthony and that's where we got the biggest 2019importance of this. But right now, that is 2020specifics about each one of these individual 2121HYDROWISE initiative.22things, but I know that we have under	24	undertaken in isolated areas in reference to	24	for boilers, et cetera.
1Q. Do you have any information in reference to what's gone on in the past in some of these communities?1Q. Where are we with it now? It seems we're in a state of flux here, just from the answer3communities?3you're giving me. Is there a particular4A. Only in the context of what you've just4HYDROWISE Program going into these communities5mentioned. I know we have given contact6conservation are first and foremost being6fluorescent lighting to various communities to retry and defer, if you will, the capacity7observed?8increase in that particular community. I know 9we offered a program whereby we tried to 109A. I think I can answer that by saying that 99we offered a program whereby we tried to 109Hydro's formal DSM initiative right now is the 1111water boilers with oil-fired hot water boilers 1211information program to try and get, as you 1212and give them a financial incentive. I 1312say, the rules of conservation out to the 1314that particular initiative, as I understand 1414understand it, mail outs to customers. I was15it, was not all that effective. It was - 1615very interested to see that we're going to 1618A. Well, I think the takeup was actually in St. 19Anthony and that's where we got the biggest 201621specifics about each one of these individual 2117areas, to try and get to the people at a 1822thony and that's where we go	25	the HYDROWISE Program, and the Rural Deficit	25	A. Yes.
2what's gone on in the past in some of these2state of flux here, just from the answer3communities?3you're giving me. Is there a particular4A. Only in the context of what you've just3HYDROWISE Program going into these communities5mentioned. I know we have given contact6in order to ensure that the rules of6fluorescent lighting to various communities to6conservation are first and foremost being7try and defer, if you will, the capacity7observed?8increase in that particular community. I know8A. I think I can answer that by saying that9we offered a program whereby we tried to9Hydro's formal DSM initiative right now is the10encourage people to replace their electric hot10HYDROWISE initiative, and that's basically an11water boilers with oil-fired hot water boilers11information program to try and get, as you12and give them a financial incentive. I12say, the rules of conservation out to the13believe it was \$500 to do so. The result of13people. It's being done through, as I14that particular initiative, as I understand14understand it, mail outs to customers. I was15it, was not all that effective. It was -15very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity16take it into the schools in some of these17areas, to try and get to the people at ayounger age to inform them about the<		Page 159		Page 160
3communities?3you're giving me. Is there a particular4A. Only in the context of what you've just3you're giving me. Is there a particular5mentioned. I know we have given contact6fluorescent lighting to various communities to76fluorescent lighting to various community. I know8A. I think I can answer that by saying that9we offered a program whereby we tried to9Hydro's formal DSM initiative right now is the10encourage people to replace their electric hot10HYDROWISE initiative, and that's basically an11water boilers with oil-fired hot water boilers11information program to try and get, as you12and give them a financial incentive. I12say, the rules of conservation out to the13believe it was \$500 to do so. The result of13people. It's being done through, as I14that particular initiative, as I understand14understand it, mail outs to customers. I was15it, was not all that effective. It was -16Very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity17areas, to try and get to the people at a17to purchase oil on the coast of Labrador.18A. Well, I think the takeup was actually in St.19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these indi	1	· · ·	1	Q. Where are we with it now? It seems we're in a
4A. Only in the context of what you've just4HYDROWISE Program going into these communities5mentioned. I know we have given contact5in order to ensure that the rules of6fluorescent lighting to various communities to6conservation are first and foremost being7try and defer, if you will, the capacity7observed?8increase in that particular community. I know8A. I think I can answer that by saying that9we offered a program whereby we tried to9Hydro's formal DSM initiative right now is the10encourage people to replace their electric hot10HYDROWISE initiative, and that's basically an11water boilers with oil-fired hot water boilers11information program to try and get, as you12and give them a financial incentive. I12say, the rules of conservation out to the13believe it was \$500 to do so. The result of13people. It's being done through, as I14that particular initiative, as I understand14understand it, mail outs to customers. I was15it, was not all that effective. It was -15very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity16take it into the schools in some of these17to purchase oil on the coast of Labrador.17areas, to try and get to the people at a18A. Well, I think the takeup was actually in St.18younger age to inform them about the19Anthony and that's where we got the biggest19 <td< td=""><td>2</td><td>what's gone on in the past in some of these</td><td>2</td><td>state of flux here, just from the answer</td></td<>	2	what's gone on in the past in some of these	2	state of flux here, just from the answer
5mentioned. I know we have given contact5in order to ensure that the rules of6fluorescent lighting to various communities to5in order to ensure that the rules of7try and defer, if you will, the capacity7observed?8increase in that particular community. I know8A. I think I can answer that by saying that9we offered a program whereby we tried to9Hydro's formal DSM initiative right now is the10encourage people to replace their electric hot10HYDROWISE initiative, and that's basically an11water boilers with oil-fired hot water boilers11information program to try and get, as you12and give them a financial incentive. I12say, the rules of conservation out to the13believe it was \$500 to do so. The result of13people. It's being done through, as I14that particular initiative, as I understand14understand it, mail outs to customers. I was15it, was not all that effective. It was -15very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity16take it into the schools in some of these18A. Well, I think the takeup was actually in St.18younger age to inform them about the19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative.21specifics about each one of these individual21HYDROWISE initiative.<	3	communities?	3	you're giving me. Is there a particular
6fluorescent lighting to various communities to ry and defer, if you will, the capacity 86conservation are first and foremost being observed?8increase in that particular community. I know 98A. I think I can answer that by saying that9we offered a program whereby we tried to 109Hydro's formal DSM initiative right now is the10encourage people to replace their electric hot 1110HYDROWISE initiative, and that's basically an11water boilers with oil-fired hot water boilers 1211information program to try and get, as you12and give them a financial incentive. I 1312say, the rules of conservation out to the13believe it was \$500 to do so. The result of 1413people. It's being done through, as I understand14that particular initiative, as I understand 1414understand it, mail outs to customers. I was15it, was not all that effective. It was - 1515very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity 17to further was actually in St.1819Anthony and that's where we got the biggest 2019importance of this. But right now, that is20response. So, you know, no, I can't give you 2120our DSM initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	4	A. Only in the context of what you've just	4	HYDROWISE Program going into these communities
7try and defer, if you will, the capacity7observed?8increase in that particular community. I know9We offered a program whereby we tried to99we offered a program whereby we tried to9Hydro's formal DSM initiative right now is the10encourage people to replace their electric hot10HYDROWISE initiative, and that's basically an11water boilers with oil-fired hot water boilers11information program to try and get, as you12and give them a financial incentive. I12say, the rules of conservation out to the13believe it was \$500 to do so. The result of13people. It's being done through, as I14that particular initiative, as I understand14understand it, mail outs to customers. I was15it, was not all that effective. It was -15very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity16take it into the schools in some of these17to purchase oil on the coast of Labrador.17areas, to try and get to the people at a18A. Well, I think the takeup was actually in St.18younger age to inform them about the19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these individual21HYDROWISE initiative.22things, but I know that we have undertaken22Q. So	5	mentioned. I know we have given contact	5	in order to ensure that the rules of
8increase in that particular community. I know8A. I think I can answer that by saying that9we offered a program whereby we tried to9Hydro's formal DSM initiative right now is the10encourage people to replace their electric hot10Hydro's formal DSM initiative right now is the11water boilers with oil-fired hot water boilers11information program to try and get, as you12and give them a financial incentive. I12say, the rules of conservation out to the13believe it was \$500 to do so. The result of13people. It's being done through, as I14that particular initiative, as I understand14understand it, mail outs to customers. I was15it, was not all that effective. It was -15very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity16take it into the schools in some of these19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these individual21HydroWISE initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	6	fluorescent lighting to various communities to	6	conservation are first and foremost being
9we offered a program whereby we tried to encourage people to replace their electric hot 109Hydro's formal DSM initiative right now is the HYDROWISE initiative, and that's basically an 1111water boilers with oil-fired hot water boilers 1210HYDROWISE initiative, and that's basically an information program to try and get, as you12and give them a financial incentive. I 1312say, the rules of conservation out to the people. It's being done through, as I understand it, mail outs to customers. I was14that particular initiative, as I understand 1414understand it, mail outs to customers. I was15it, was not all that effective. It was - to purchase oil on the coast of Labrador.17areas, to try and get to the people at a younger age to inform them about the importance of this. But right now, that is 2019Anthony and that's where we got the biggest 2119importance of this. But right now, that is 2022things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	7	try and defer, if you will, the capacity	7	observed?
10encourage people to replace their electric hot10HYDROWISE initiative, and that's basically an11water boilers with oil-fired hot water boilers11information program to try and get, as you12and give them a financial incentive. I12say, the rules of conservation out to the13believe it was \$500 to do so. The result of13people. It's being done through, as I14that particular initiative, as I understand14understand it, mail outs to customers. I was15it, was not all that effective. It was -15very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity16take it into the schools in some of these17to purchase oil on the coast of Labrador.17areas, to try and get to the people at a19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these individual21HYDROWISE initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	8	increase in that particular community. I know	8	A. I think I can answer that by saying that
11water boilers with oil-fired hot water boilers11information program to try and get, as you12and give them a financial incentive. I12say, the rules of conservation out to the13believe it was \$500 to do so. The result of13people. It's being done through, as I14that particular initiative, as I understand14understand it, mail outs to customers. I was15it, was not all that effective. It was -15very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity16take it into the schools in some of these17to purchase oil on the coast of Labrador.17areas, to try and get to the people at a18A. Well, I think the takeup was actually in St.18younger age to inform them about the19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these individual21HYDROWISE initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	9	we offered a program whereby we tried to	9	Hydro's formal DSM initiative right now is the
12and give them a financial incentive. I12say, the rules of conservation out to the13believe it was \$500 to do so. The result of13people. It's being done through, as I14that particular initiative, as I understand14understand it, mail outs to customers. I was15it, was not all that effective. It was -15very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity16take it into the schools in some of these17to purchase oil on the coast of Labrador.17areas, to try and get to the people at a18A. Well, I think the takeup was actually in St.18younger age to inform them about the19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative.21things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	10	encourage people to replace their electric hot	10	HYDROWISE initiative, and that's basically an
 believe it was \$500 to do so. The result of that particular initiative, as I understand it, was not all that effective. It was - Q. Yes, I'm sure people jumped at the opportunity to purchase oil on the coast of Labrador. A. Well, I think the takeup was actually in St. A. Well, I think the takeup was actually in St. Anthony and that's where we got the biggest response. So, you know, no, I can't give you specifics about each one of these individual things, but I know that we have undertaken the take it into the coast of Labrador, we were in 	11	water boilers with oil-fired hot water boilers	11	information program to try and get, as you
14that particular initiative, as I understand14understand it, mail outs to customers. I was15it, was not all that effective. It was -15very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity16take it into the schools in some of these17to purchase oil on the coast of Labrador.17areas, to try and get to the people at a18A. Well, I think the takeup was actually in St.18younger age to inform them about the19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these individual21HYDROWISE initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	12	and give them a financial incentive. I	12	say, the rules of conservation out to the
15it, was not all that effective. It was -15very interested to see that we're going to16Q. Yes, I'm sure people jumped at the opportunity16take it into the schools in some of these17to purchase oil on the coast of Labrador.17areas, to try and get to the people at a18A. Well, I think the takeup was actually in St.18younger age to inform them about the19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these individual21HYDROWISE initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	13	believe it was \$500 to do so. The result of	13	people. It's being done through, as I
16Q. Yes, I'm sure people jumped at the opportunity to purchase oil on the coast of Labrador.16take it into the schools in some of these17to purchase oil on the coast of Labrador.17areas, to try and get to the people at a18A. Well, I think the takeup was actually in St.18younger age to inform them about the19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these individual21HYDROWISE initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	14	that particular initiative, as I understand	14	understand it, mail outs to customers. I was
17to purchase oil on the coast of Labrador.17areas, to try and get to the people at a18A. Well, I think the takeup was actually in St.18younger age to inform them about the19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these individual21HYDROWISE initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	15	it, was not all that effective. It was -	15	very interested to see that we're going to
18A. Well, I think the takeup was actually in St.18younger age to inform them about the19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these individual21HYDROWISE initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	16	Q. Yes, I'm sure people jumped at the opportunity	16	take it into the schools in some of these
19Anthony and that's where we got the biggest19importance of this. But right now, that is20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these individual21HYDROWISE initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	17	to purchase oil on the coast of Labrador.	17	areas, to try and get to the people at a
20response. So, you know, no, I can't give you20our DSM initiative within Hydro is the21specifics about each one of these individual21HYDROWISE initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	18	A. Well, I think the takeup was actually in St.	18	younger age to inform them about the
21specifics about each one of these individual21HYDROWISE initiative.22things, but I know that we have undertaken22Q. Somewhere on the coast of Labrador, we were in	19	Anthony and that's where we got the biggest	19	importance of this. But right now, that is
22 things, but I know that we have undertaken 22 Q. Somewhere on the coast of Labrador, we were in	20		20	our DSM initiative within Hydro is the
	21	-	21	HYDROWISE initiative.
23some of those things.Some have been23Goose Bay last year and people from the coast	22	-	22	Q. Somewhere on the coast of Labrador, we were in
	23	-	23	
24 successful; others have been somewhat 24 of Labrador, from some of these communities	24			
25 unsuccessful. 25 BROWNE, Q.C.:	105	unsuccessful	25 B	ROWNE O C.:

Discoveries Unlimited Inc., Ph: (709)437-5028

October 24, 2003

Multi-PageTMNL Hydro's 2003 General Rate Application

October 24, 2005 Iviu	nu-Page INL Hyuro's 2005 General Rate Application
Page 16	51 Page 162
1 where you brought on a HYDROWISE or similar	1 A. You're welcome.
2 program and got them to use fluorescent lights	2 CHAIRMAN:
3 and to wrap their boilers and to seal their	3 Q. Thank you, Mr. Browne, Mr. Martin. We'll move
4 homes generally, they said that you did all	4 now to Mr. Kelly, please.
5 that, but then that was it. There was no	5 KELLY, Q.C.:
6 follow up to it. It was done and then you	6 Q. Thank you, Chair. Mr. Martin, good morning,
7 were gone, and no one came back to check to	7 or good afternoon, I should say now.
8 see what part two was or if there was a part	8 A. Good afternoon.
9 two, and they couldn't say if they were	9 Q. As you told Mr. Fitzgerald, I gather thatand
burning fluorescent lights any more now or 120	10 from your resume, you've been with Hydro since
11 watts bulbs, I guess, you know. So what do	11 1971, and have been a director in engineering,
12 you say to that?	12 transmission and rural operations since 1996,
13 (12:45 p.m.)	13 and then VP since August 1 of 2003?
14 A. I think I should defer that one to Mr.	14 A. That's correct.
15 Banfield.	15 Q. So you'd be very familiar with the changes
16 Q. Okay.	16 that have taken place in the TRO division,
17 A. If you don't mind.	17 especially during the period from '96 through
18 Q. Yes, because it's an area that we very much	18 2000, right up to date, 2003?
19 want to explore and we'll again put Mr.	19 A. I should be.
20 Banfield on notice that we would like to find	20 Q. Okay. Because unlike Mr. Fitzgerald, I don't
21 out concerning the follow up that was done in	21 want to look just at some of the problems. I
these communities and what's the plan for	22 want to look at some of the things that have
these communities for the future, save for the	23 been improved during that period. In order to
24 mail out. Okay. These are our questions.	do that, let's get a sense of how the division
25 Thank you very much, Mr. Martin.	25 operates first, by going to your Schedule 1.
Page 16	53 Page 164
1 Now this is the breakdown of your division	1 operate out of that office in Bishop Falls.
2 into essentially five departments?	2 Q. So would it be fair to say that that is the
3 A. That's correct.	3 biggest of the three regional offices?
4 Q. Okay. Now the engineering and transmission	4 A. I think that's a fair characterization, yes.
5 and rural operations, that's your engineering	5 Q. Approximately how many employees would be in
6 group, as I understand it, correct?	6 that central region office in Bishops Falls?
7 A. That's correct.	7 A. Approximately 170.
8 Q. Okay. I won't spend much time with those.	8 Q. Okay. Just take us to the next one, the
9 What I'd like you to do is explain for us how	9 northern region. Where is that located and
10 each of the next three departments work.	10 give us the same tour?
11 Central, I understand, is located out of	11 A. The northern region has its central office in
12 Bishops Falls. I'd like you to describe	12 Port Saunders. It has an area office in St.
13 what's there physically and how that	13 Anthony. They are responsible for the
14 department operates. Could you just take us	14 transmission facilities on the Great Northern
15 through a little bit of that?	15 Peninsula, all of the distribution systems on
16 A. Yes. The Central region has its headquarters	16 the Great Northern Peninsula, the operation or
17 in Bishop Falls. We obviously have a very	17 I should say the maintenance of the three
18 large office complex there. We have our	18diesel plants on the Interconnected System on
19 transportation asset management group are	19 the Northern Peninsula, and all of the
20 based there. We have our line worker or	20 isolated diesel systems and distribution
21 transmission line group or one of our	21 systems in Southern Labrador.
22 transmission line groups out of Central are	22 Q. Okay. And approximately how many employees in
23 based there. The management of all of our	23 that division?
area offices, remote diesel plants, the	A. There's approximately 75 people.
25 planners for the central region, they all	25 KELLY, Q.C.:

Multi-PageTMNL Hydro's 2003 General Rate Application

	obel 24, 2005 Mulu	- <u>1 ag</u>	
	Page 165		Page 166
1	Q. Okay. So little bit less than half the size	1	and distribution systems on the south coast of
2	of Bishops Falls?	2	Labrador.
3	A. That's correct.	3	Q. Just along the south coast?
4	Q. Okay. Let's go to the Labrador region next.	4	A. That's right.
5	A. The Labrador region has its central office in	5	Q. Okay. Now then, just go over briefly the
6	Happy Valley-Goose Bay, with an area office in	6	Environmental Services and Properties
7	Wabush. They are responsible for the 138 kV	7	division. Where is that located and how many
8	transmission line from Churchill Falls to	8	have you got there?
9	Happy Valley-Goose Bay, the distribution	9	A. The Environmental Services and Properties
10	facilities in Labrador West, the distribution	10	department works out of St. John's office at
11	facilities in Labrador East, the Happy Valley	11	Hydro Place. They are responsible for all the
12	North plant, which is a standby diesel plant	12	environmental support required by the
13	we have in that area, the 25-megawatt gas	13	Corporation in exercising its environmental
14	turbine at Happy Valley-Goose Bay terminal	14	management system and programs. They are also
15	station, and all of the isolated communities	15	responsible for all property issues and survey
16	on the northeast coast of Labrador.	16	issues for the corporate Hydro.
17	Q. Okay. And how many employees in that	17	Q. And how many employees in that division?
18	division?	18	A. We have 11.
19	A. Approximately 50.	19	Q. 11 there, and just go back to Engineering,
20	Q. 50, okay. The northern region, did I miss	20	Transmission and Operations, how many now
20	something there? Does the northern region	20	there?
21	have any responsibility in Labrador at all, or	21	A. 40.
22	is it just on the island?	22	Q. 40, okay. We'll come back to those. Now one
23	A. No, in Labrador, the northern region is		of the things that Mr. Fitzgerald asked you
24	responsible for all the isolated diesel plants	24 25	about is whether there was a manager of the
23	î	23	
	Page 167		Page 168
1	Rural Deficit. Is thereand I take it the	1	A. Forgive me. If you're talking about the rural
2	answer to that is no, there's no particular	2	deficit as it's defined with regards to the
3	individual assigned to manage that rural	3	\$41 million rural deficit -
4	deficit?	4	Q. Yes.
5	A. If you're talking about being able to control	5	A I'm not managing that. What I am managing,
6	costs, which is the thing that we can really	6	and what my managers are managing, is the
7	have some influence on in the management of	7	cost, the controllable costs and the influence
8	the rural deficit, I would suggest that	8	that we can have on trying to minimize those
9	individual, as of August 1st, is me.	9	costs, thereby impacting, at least controlling
10	Q. So it only takes place at that level, in terms	10	or minimizing the rural deficit as much as we
11	of the overall management? There's nobody in	11	can.
	÷ .		
12	the department specifically assigned to manage	12	Q. Okay. Now with that as the background, let's
12 13	÷ .	12 13	Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd
1	the department specifically assigned to manage		Q. Okay. Now with that as the background, let's
13	the department specifically assigned to manage and address rural deficit issues?	13	Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd
13 14	the department specifically assigned to manage and address rural deficit issues?A. Again, and I don't mean to belabour this, in	13 14	Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd like to take you to the salaries and fringe
13 14 15	the department specifically assigned to manage and address rural deficit issues?A. Again, and I don't mean to belabour this, in the area of controlling costs, the regional	13 14 15	Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd like to take you to the salaries and fringe benefits department or section of this, and if
13 14 15 16	the department specifically assigned to manage and address rural deficit issues?A. Again, and I don't mean to belabour this, in the area of controlling costs, the regional managers who report to me are responsible for	13 14 15 16	Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd like to take you to the salaries and fringe benefits department or section of this, and if we look first at the subtotal, so we get the
13 14 15 16 17	the department specifically assigned to manage and address rural deficit issues?A. Again, and I don't mean to belabour this, in the area of controlling costs, the regional managers who report to me are responsible for controlling costs in all areas, including the	13 14 15 16 17	Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd like to take you to the salaries and fringe benefits department or section of this, and if we look first at the subtotal, so we get the full picture, the forecast for 2004 is 21.3
13 14 15 16 17 18	the department specifically assigned to manage and address rural deficit issues?A. Again, and I don't mean to belabour this, in the area of controlling costs, the regional managers who report to me are responsible for controlling costs in all areas, including the Isolated Systems. Each one of those has an	13 14 15 16 17 18	Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd like to take you to the salaries and fringe benefits department or section of this, and if we look first at the subtotal, so we get the full picture, the forecast for 2004 is 21.3 million dollars?
13 14 15 16 17 18 19	the department specifically assigned to manage and address rural deficit issues?A. Again, and I don't mean to belabour this, in the area of controlling costs, the regional managers who report to me are responsible for controlling costs in all areas, including the Isolated Systems. Each one of those has an asset manager who is specifically responsible	13 14 15 16 17 18 19	Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd like to take you to the salaries and fringe benefits department or section of this, and if we look first at the subtotal, so we get the full picture, the forecast for 2004 is 21.3 million dollars?A. That's correct.
13 14 15 16 17 18 19 20	the department specifically assigned to manage and address rural deficit issues?A. Again, and I don't mean to belabour this, in the area of controlling costs, the regional managers who report to me are responsible for controlling costs in all areas, including the Isolated Systems. Each one of those has an asset manager who is specifically responsible for the operation and maintenance costs of	13 14 15 16 17 18 19 20	 Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd like to take you to the salaries and fringe benefits department or section of this, and if we look first at the subtotal, so we get the full picture, the forecast for 2004 is 21.3 million dollars? A. That's correct. Q. Okay. And if we go back along that line
13 14 15 16 17 18 19 20 21	the department specifically assigned to manage and address rural deficit issues?A. Again, and I don't mean to belabour this, in the area of controlling costs, the regional managers who report to me are responsible for controlling costs in all areas, including the Isolated Systems. Each one of those has an asset manager who is specifically responsible for the operation and maintenance costs of each of those isolated systems.	13 14 15 16 17 18 19 20 21	 Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd like to take you to the salaries and fringe benefits department or section of this, and if we look first at the subtotal, so we get the full picture, the forecast for 2004 is 21.3 million dollars? A. That's correct. Q. Okay. And if we go back along that line through 2003 back to 2002, it's been running
13 14 15 16 17 18 19 20 21 22	 the department specifically assigned to manage and address rural deficit issues? A. Again, and I don't mean to belabour this, in the area of controlling costs, the regional managers who report to me are responsible for controlling costs in all areas, including the Isolated Systems. Each one of those has an asset manager who is specifically responsible for the operation and maintenance costs of each of those isolated systems. Q. So but the cost management is done across your 	 13 14 15 16 17 18 19 20 21 22 	 Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd like to take you to the salaries and fringe benefits department or section of this, and if we look first at the subtotal, so we get the full picture, the forecast for 2004 is 21.3 million dollars? A. That's correct. Q. Okay. And if we go back along that line through 2003 back to 2002, it's been running in the range of 21.9 for example in 2002 to
 13 14 15 16 17 18 19 20 21 22 23 	 the department specifically assigned to manage and address rural deficit issues? A. Again, and I don't mean to belabour this, in the area of controlling costs, the regional managers who report to me are responsible for controlling costs in all areas, including the Isolated Systems. Each one of those has an asset manager who is specifically responsible for the operation and maintenance costs of each of those isolated systems. Q. So but the cost management is done across your systems as a whole, as opposed to attempting 	 13 14 15 16 17 18 19 20 21 22 23 24 	 Q. Okay. Now with that as the background, let's have a look first at your Schedule 5, and I'd like to take you to the salaries and fringe benefits department or section of this, and if we look first at the subtotal, so we get the full picture, the forecast for 2004 is 21.3 million dollars? A. That's correct. Q. Okay. And if we go back along that line through 2003 back to 2002, it's been running in the range of 21.9 for example in 2002 to 21.3 for your 2004 forecast?

Multi-PageTMNL Hydro's 2003 General Rate Application

1 Q. Okay. So can J just get, Mr. O'Reilly, if you' could put up on the monitor Schedule 2 from Mr. Roberts for a moment? Okay. Now if we go across the salaries and fringe benefits line there, which is line 15, the total for Hydro, if we go over, for example, to the revised million in 2002 actuals. So your share, Mr. million in 2002 actually adval a third of the total? Q. In fact. I notice that your capitalized expense credit, in your department, was up from 2.28 million creditized salary expense? 16 A. That's correct. Q. Do you have an educe there? 17 O Kay. We go back to your Schedule 5. Now can million for creast, but you actually had 19.6 million for creast, but you actually had 19.6 million million inte, semanet, but we get the total, we catually had 19.6 million million inte extrament, but we get the total, we catually had 19.6 million more creating million inte, when a first? In 2002, you had 19.6 million million j your capitalized semanet, but we projects that came up in 2002. It seems like conjecture answer? A. The only thing that comes to my mind is potentially some new projects or is that a conjecture answer? 1 A. I d' be very suprised if there were no new projects. That's bene a recurring trend in your department too? Q		ober 24, 2003 Mult	i-r'aş	ge NL Hydro's 2003 General Kate Application
2 could put up on the monitor Schedule 2 from 3 2 temporary and overtime? Could you just 4 3 Mr. Roberts for a moment? Okay. Now if we go across the salaries and fringe benchis line 5 4 A That could have been due to several things: 6 5 there, which is line 15, the total for Hydro, 6 if we go over, for example, to the revised 7 4 A That could have been due to several things: 6 7 know the specifies of that, but those are a 7 if we go over, for example, to the revised 7 if we num in the range of 61, for 7 if we just looked at your Schedule 5, which is 321 million? 10 0. In fact, 1 notice that your capitalized 7 if we just looked at your Schedule 5, which is 321 million? 10 0. In fact, 1 notice that your capitalized 7 if we just looked at your Schedule 5, Nhow can 13 10 Nart is correct. 10 0. Do you have any explanation for that, as to 13 10 16 A Yes. 1 10 A That's correct. 10 0. Do you have any explanation for that, as to 17 10 10 10 10 10 10 10 18 A The som, vorup and 19, omilion 10 10 10 10 10 10 10 10 10 10		Page 169		Page 170
3 Mr. Roberts for a moment? Okay. Now if we go 3 explain that to us first? 4 across the salaries and fringe benefits line 5 6 if we go over, for example, to the revised 6 7 2004, is S63 million and we come back across 7 9 example, in the test year. You had 64 1/2 7 9 million in 2002 actuals. So your share, Mr. 11 11 Martin, is roughly about a third of the total. 11 12 if we just looked at your Schedule 5, which is 12 14 A. That's correct. 10 15 Q. Roghly about a third of the total? 10 16 A. Yes. 10 17 D. Okay. We go back to your Schedule 5. Now can 10 18 I look across your permanent salary line 10 19 first? In 2002, you had 19.6 million 20 21 to be destin in sea actually turned out 20 22 o sole bottom lines, when 21 23 21.0, so the bottom lines actually turned out 20 24 A Tide touly thigh	1		1	
4 A. That could have been due to several things: 5 there, which is line 15, the total for Hydro, if we go over, for example, to the revised 7 2004, is \$63 million and we come back aross in we capital projects, if hey came about; the 8 the line, it's run in the range of 61, for in we capital projects, if hey came about; the 9 example, in the test year. You had 64 1/2 in which is is roughly about a hird of the total? 10 Martin, is roughly about a hird of the total? if we just looked at your Schedule 5, which is 13 S21 million? a. That's correct. 14 A. That's correct. Q. Okay. We go back to your Schedule 5. Now can 15 Q. Roughly about a hird of the total? is first? In 2002, you had 19.6 million 10 forecast, but you actually came in at 18.7. is had to address. 12 21.9, so the bottom lines, when ymage 17 14 to be the same, roughly about the same. Why 23 o. Were there actual projects or is that a 12 1.4. I data t that you continue to get in a you fare actual projects. A. Right now, that's a conjecture. 21.9, so the bottom lines actually turned out 23 o	2	could put up on the monitor Schedule 2 from	2	temporary and overtime? Could you just
s there, which is line 15, the total for Hydro, s new capital projects, if they came about; the 6 if we go over, for example, to the revised requirement to backfill positions. I don't 7 2004, is \$63 million and we come back across s couple of things that come to mind that may 9 example, in the testy ear. You had 64 1/2 number, in is roughly about a third of the total, number, in your department, was up 10 million in 2002 actuals. So your share, Mr. 10 Q. In fact, 1 notice that your capitalized 11 Martin, is roughly about a third of the total, 11 now the specifics. now or 2, 9 almost as forecast to 13 S21 million? Q. Okay. We go back to your Schedule 5. Now can 18 Natis correct. 14 A That's correct. 16 A. Yes. Q. Do you have any explanation for that, as to 19 first? In 2002, you had 19.6 million 10 the total, we actually came in at 18.7. 12 we get the total, we actually torned out 20 O. We you have a reduction in the permanent, but 20 21 we get the total, we actually came in at 18.7. 20 O. Way. 20 21 by the bototom lines, when 21	3	, e	3	explain that to us first?
6 if we go over, for example, to the revised 7 requirement to backfill positions. I don't know the specifics of that, but those are a 7 2004, is S63 million and we come back accoss 8 requirement to backfill positions. I don't know the specifics of that, but those are a 8 the line, it's run in the range of 61, for 9 requirement to backfill positions. I don't know the specifics of that, but those are a 10 million in 2002 actuals. So your share, Mr. 10 0. In fact, I notice that your capitalized 12 if we just looked at your Schedule 5, which is 11 a that's correct. 12 14 A. That's correct. 12. O, Roughly about a third of the total? 13 a that's correct. 15 Q. Roughly about a third of the total? 14 a that's correct. 12. O but As cross your permanent salary line 18 first in 2002, you had 19.6 million 18 a. The olly thing that comes to my mind is 19 21. 9 so the bottom lines, when 22 Q. Were there actual projects or is that a 21 we had to address. 20 Were there actual projects or is that a 22.19, so the bottom lines, when 23 21, 9, so the bottom lines, when 24 A. Right now, that's a conjecture. 25 Q.	4	across the salaries and fringe benefits line	4	A. That could have been due to several things:
7 2004, is \$63 million and we come back across the line, it's run in the range of 61, for 7 know the specifics of that, but those are a couple of things that come to mind that may couple of things that come to mind that may couple of things that come to mind that may couple of things that come to mind that may couple of things that come to mind that may couple of things that come to mind that may couple of things that come to mind that may couple of things that come to mind that may couple of things that come to mind that may couple of things that come to mind that may couple of things that come to mind that may couple of things that come to mind that may couple of that, but those are a couple of things that come to mind that may couple of things that come to mind that may couple of that, but those are a couple of things that come to mind that may couple of that, but those are a couple of that, but those are a couple of things that come to mind that may couple of things that come to mind that may couple of that, but those are a couple of things that come to mind that may couple of that, but those are a couple of that. 13 A. That's correct. 14 A. That's correct. 15 A. That's correct. 16 A. That's correct. 17 A. That's correct. 18 A. That's correct.	5	there, which is line 15, the total for Hydro,	5	
8 the line, it's run in the range of 61, for 8 couple of things that come to mind that may 9 example, in the test year. You had 64 1/2 in million in 2002 actuals. So your share, Mr. 10 0. If fact. I notice that your capitalized 11 Marin, is roughly about a third of the total, 11 12 if we just looked at your Schedule 5, which is 13 about 4.6 million. So came in substantially 12 A. That's correct. 14 A. That's correct. 14 A. That's correct. 14 A. That's correct. 14 A. That's correct. 16 Q. Do you have any explanation for that, as to 16 A. Ves. 10 O. Do you have any explanation for that, as to 16 Q. Do you have any explanation for that, as to 16 Maria's correct. 18 A. That's correct. 17 A. That's correct. 18 A. The only thing that comes to my mind is 19 20 Marcast, but you actually came in at 18.7. 18 A. The boutom lines actually turned out 24 A. Right now, that's a conjecture. 22 0. Were there actual projects or is that a 23 21.9, or the bottom lines actually turned out 25 <td>6</td> <td>if we go over, for example, to the revised</td> <td>6</td> <td>requirement to backfill positions. I don't</td>	6	if we go over, for example, to the revised	6	requirement to backfill positions. I don't
9 example, in the test year. You had 64 1/2 9 have influenced that. 10 million in 2002 actuals. So your share, Mr. 9 have influenced that. 11 Matrin, is roughly about a third of the total? 10 12 fit we just looked at your Schedule 5, which is 321 million? 11 13 A. That's correct. 12 16 A. Yes. 0. Okay. We go back to your Schedule 5. Now can 17 0. Okay. We go back to your Schedule 5. Now can 12 18 1 look across your permanent salary line 19 19 first? In 2002, you had 19.6 million 10 10 forecast, but you actually came in at 18.7. 10 21 But as you go down to the bottom lines, when 20 22 we get the total, we actually thad 21.9 versus 23 23 21.9, so the bottom lines actually tured out 23 24 to be the same, roughly about th same. Why 24 A. Right now, that's a conjecture. 25 Q. And that fact that you continue to get 3 14 Nawe ging to answer? 1 A. T'd be very surprised if there were no new projects that acoupe to gorises. That's been a recurrin	7	2004, is \$63 million and we come back across	7	know the specifics of that, but those are a
 million in 2002 actuals. So your share, Mr. Martin, is roughly about a third of the total, if we just looked at your Schedule 5, which is \$21 million? A. That's correct. A. Thet's correct. I look across your permanent salary line forecast, but you actually came in at 18.7. But as you go down to the bottom lines, when we get the total, we actually had 21.9 versus 21.9, so the bottom line actually three dout to be the same, roughly about a third of the rewere no new group cast, but you actually the same. Why did you have a reduction in the permanent, but Projects. That's we get at least a couple of we projects. That's be reard a reduction in the permanent tot? A. I thik it's fair to say that we do get perforecast. Every year you seem to get numexpected projects. A. I thik it's fair to say that we do get perforecast. Every year you seem to get numbers, fraelly can't say. Q. Okay. Let me ask you this has impacted thes a. Thete is an RFI on that, and if premember A. Thete is an RFI on that, and if premember A. Thete is an RFI on that, and if premember A. Thete is an RFI on that, and if premember A. Thete is an RFI on that, and if premember A. Thete is an RFI on that, and if premember A. Tork is is an RFI on that, and if premember A. Tork is an ord of 2002, vancies, I'm A. There is an RFI on that, and if premember A. There is an RFI on that, and if premember A. Tork is an RFI on that, and if premember A. Tork is an RFI on that, and if premember A. There is an RFI on that, and if premember A. Tork is an RFI on that, and if premember A. There is an RFI on that, and if premember A. There is an RFI on that, and if premember A. There is an RFI on that, and if premember A. There	8	the line, it's run in the range of 61, for	8	couple of things that come to mind that may
11Martin, is roughly about a third of the total, if we just looked at your Schedule 5, which is if solut 4. A That's correct.11expense credit, in your department, was up from 2.8 million 7.2.9 almost as forecast to about 4.6 million 7.2.9 almost as forecast to we get the total, you actually came in at 18.7. 2.0 Eyou have any explanation for that, as to why the big variance there? 4. The only thing that comes to my mind is potentially some new projects that were not budgeted that were unplanned that came up that 4.1 muse the total methe actual projects or is that a conjecture answer? 4. N red to address. 2.2.0 CMay.2.2.0 Were there actual projects or is that a conjecture answer? 4. N red to address. 4. N red to address.2.2.0 CMay.Page 1.7.1 2.2.1 Million 7.2.1 million 7.2.2 mill	9	example, in the test year. You had $64 1/2$	9	
12 if we just looked at your Schedule 5, which is 12 from 2.8 million or 2.9 almost as forecast to about 4.6 million. So came in substantially about 4.6 million. So came in substantially over 4.0 were the in capitalized salary expense? 13 A. That's correct. 14 about 4.6 million. So came in substantially over subget in capitalized salary expense? 16 A. Yes. 10 Okay. We go back to your Schedule 5. Now can 18 I look across your permanent salary line 15 A. That's correct. 19 frst? In 2002, you had 19.6 million 20 Do you have any explanation for that, as to why the big variance there? 20 forecast, but you actually came in at 18.7. 20 budgeted that were unplanned that came up that 21.9 yearsus 21 But as you go down to the bottom lines, when 21 A. The only thing that comes to my mind is potentially some new projects that came up in 2002. It seems like 22 Q. Wer there actual projects or is that a can yea in any othere actual projects or is that a can yea in any othere any ender question. 24 A. I'd be very surprised if there were no new 25 Q. Okay. Page 171 Page 171 1 A. I'd be very surprised if there were no new 2 Q. Okay. 24 A. I was going to answer another question. 2 projects that came up	10	•	10	
13 \$21 million? 13 about 4.6 million. So came in substantially over budget in capitalized salary expense? 14 A. That's correct. 15 A. That's correct. 16 A. Yes. 15 A. That's correct. 17 Q. Okay. We go back to your Schedule 5. Now can 16 Q. Do you have any explanation for that, as to why the big variance there? 18 I look across your permanent salary line 18 A. The only thing that comes to my mind is potentially some new projects that were not budgeted that were unplanned that came up that 20 we get the total, we actually had 21.9 versus 22 Q. Were there actual projects or is that a 23 21.9, so the bottom lines, when 24 A. Right now, that's a conjecture. 25 did you have a reduction in the permanent, but 25 Q. Okay. 26 very year we get at least a couple of unexpected projects. 1 Q. If you can't tell me the number of vacantcies, can you - 3 every year we get at least a couple of that you aronitue to get foring your capitalized expense in above 5 A. I was going to answer another question. 4 unexpected projects. 4 Q. Can you can't tell me the number of vacant positions of auth fact that you continue to get forigocts. 5	11	•••	11	
14 A. That's correct. 14 over budget in capitalized salary expense? 15 Q. Roughly about a third of the total? 15 A. That's correct. 16 A. Yes. 16 O. Do you have any explanation for that, as to why the big variance there? 18 I look across your permanent salary line 18 A. The only thing that comes to my mind is potentially some new projects that were not budgeted that were unplanned that came up that 11 But as you go down to the bottom lines, when 22 Were there actual projects or is that a 21 But as you go down to the bottom lines, when 22 Were there actual projects or is that a 22 9, so the bottom lines actually turned out 23 21, Sy, so the bottom lines actually turned out 24 to be the same, roughly about the same. Why 24 A. Right now, that's a conjecture. 25 Q. And that fact that you continue to get 10 If you can't tell me the number of vacantcies, any ou - 3 unexpected projects. 4 Q. Can you cell me the number of vacant positions 5 Q. And that fact that you continue to get 0. Chay. Wen you come back on Monday, can you 16 unexpected projects. That's bcen a recurring trend in 9 Q. Chay ou cell me the	12		12	
15 Q. Roughly about a third of the total? 15 A. That's correct. 16 A. Yes. 15 A. That's correct. 17 Q. Okay, We go back to your Schedule 5. Now can 16 Q. Do you have any explanation for that, as to why the big variance there? 18 I look across your permanent salary line 16 Q. Do you have any explanation for that, as to why the big variance there? 20 forecast, but you actually came in at 18.7. 20 We get the total, we actually tormed out 21 But as you go down to the bottom lines, when 20 We get the total, we actually turned out 23 21.9, so the bottom lines actually turned out 23 Q. Were there actual projects or is that a 24 to be the same, roughly about the same. Why 24 A. Right now, that's a conjecture. 25 2 o. Okay. every year we get at least a couple of 4. I'd be very surprised if there were no new 2 Q. Can you tell me the number of vacant cost, in your department too? 14 unexpected projects. 15 Q. Chay. When you come back on Monday, can you 15 size of them and how this has impacted these 10 15 out the unuber of vacant 15 of them dn bow this question then	13		13	-
16 A. Yes. 16 Q. Do you have any explanation for that, as to 17 Q. Okay. We go back to your Schedule 5. Now can 16 Q. Do you have any explanation for that, as to 18 I look across your permanent salary line 18 A. The only thing that comes to my mind is 20 forecast, but you actually came in at 18.7. 18 A. The only thing that comes to my mind is 21 But as you go down to the bottom lines, when 20 We get the total, we actually had 21.9 versus 21 23 21.9, so the bottom lines actually turned out 23 20. Were there actual projects or is that a 24 to be the same, roughly about the same. Why 25 0. Okay. 20 Okay. 25 outpoicts that came up in 2002. It seems like 21 A. I'd be very surprised if there were no new 21 Q. If you can't tell me the number of vacant positions 2 Q. And that fact that you continue to get 3 A. I was going to answer another question. 4 unexpected projects. 4 A. I was going to answer another question. 4 4 unexpected projects continues every year to get new 9 Projects that's a couple of 4. I was going to answer another question.	14		14	
17Q. Okay. We go back to your Schedule 5. Now can I look across your permanent salary line17why the big variance there?18I look across your permanent salary line18A. The only thing that comes to my mind is potentially some new projects that were not19first? In 2002, you had 19.6 million1920forecast, but you actually came in at 18.7.2021But as you go down to the bottom lines, when21we had to address.22Q. Were there actual projects or is that a conjecture answer?202321.9, so the bottom lines actually turned out 2425Q. Were there actual projects or is that a conjecture answer?24to be the same, roughly about the same. Why 2525Q. Okay.25did you have a reduction in the permanent, but25Q. Okay.26projects that came up in 2002. It seems like a every year we get at least a couple of unexpected projects.3A. I was going to answer another question.3every year we get at least a couple of unexpected projects. Continues every year to of unexpected projects continues every year to forecast. Every year you seem to get new projects. That's been a recurring trend in your department too?7A. I can't tell we number of vacant out have as of now?11A. I think it's fair to say that we do get perhaps some new projects wery year.10Q. Okay. When you come back on Monday, can you undertake to tell me the number of vacant positions that you have on intention of eliminate any of those or will they be filled?13Q. Okay. Let me ask you this question	15	Q. Roughly about a third of the total?	15	
18 I look across your permanent salary line 18 A. The only thing that comes to my mind is 19 first? In 2002, you had 19.6 million 19 20 forecast, but you actually came in at 18.7. 20 budgeted that were unplanned that came up that 21 But as you go down to the bottom lines, when 20 We get the total, we actually tand 21.9 versus 20 22 Q. Were there actual projects or is that a conjecture answer? 20 24 to be the same, roughly about the same. Why 25 Q. Okay. 25 did you have a reduction in the permanent, but 26 Q. Okay. 26 Very year we get at least a couple of 4. Right now, that's a conjecture. 22 27 Page 171 Page 711 Q. Cay you tell me the number of vacancies, 2 can you - 3 every year we get at least a couple of 4. I was going to answer another question. 4 Q. Cay you tell me the number of vacant positions? 3 Q. And that fact that you continue to get 0. Can you tell me the number of vacant positions? 9 Q. Okay. When you come back on Monday, can you 10 your department too? 7 A. I can't tell you exactly, but it would b				
19first?In 2002, you had 19.6 million forecast, but you actually came in at 18.7.19potentially some new projects that were not budgeted that were unplanned that came up that we had to address.21But as you go down to the bottom lines, when 2320. Were there actual projects or is that a conjecture answer?2321.9, so the bottom lines actually turned out 24230. Were there actual projects or is that a conjecture answer?24to be the same, roughly about the same. Why 2524A. Right now, that's a conjecture. 20. O. Kay.250. Jong the were nonew projects that came up in 2002. It seems like a every year we get at least a couple of unexpected projects.1Q. If you can't tell me the number of vacancies, 2 a A. I was going to answer another question.30. And that fact that you continue to get unexpected projects. That's been a recurring trend in your department too?0. Okay. When you come back on Monday, can you undertake to tell me the number of vacant projects. That's fair to say that we do get size of them and how this has impacted these numbers, 1 really can't say.100. Okay. When you come back on Monday, can you undertake to tell me the number of vacant positions that you have as of now?14numbers, 1 really can't say.1410 to 15. will work for the purpose of carrying on for where we're going. Now the 10 or 1515Q. Okay. Let me ask you this question then. Now 1615A. There is an RFI on that, and if I remember procertly, and I stand to be corrected, it was 1018A. There is an RFI on that, and if I remember 1916A. Right now, I	17		17	
20forecast, but you actually came in at 18.7.20budgeted that were umplanned that came up that21But as you go down to the bottom lines, when21we had to address.22Q. So the bottom lines actually turded out22Q. Were there actual projects or is that a2321.9, so the bottom lines actually turded out24A. Right now, that's a conjecture.24to be the same, roughly about the same. Why25Q. Okay.25did you have a reduction in the permanent, but25Q. Okay.2Page 171Page 171Page 1711A. I'd be very surprised if there were no new1Q. If you can't tell me the number of vacanties, can you -3every year we get at least a couple of1Q. Ia you tell me the number of vacant positions4unexpected projects.4Q. Can you tell me the number of vacant positions5Q. And that fact that you continue to get5that you have in your department now, in your6unexpected projects continues every year to7A. I think it's fair to say that we do get1A. I think it's fair to say that we do get10Q. Okay. When you come back on Monday, can you10your department too?10Undertakto to tell me the number of vacant13Q. Okay. Let me ask you this question then. Now14to 15, will work for the purpose of carrying14numbers, I really can't say.16A. Right now, I have no intention of eliminate any of those rowill they be filled?14Na the end of 2002	18		18	• •
21 But as you go down to the bottom lines, when 21 we had to address. 22 21.9, so the bottom lines actually turned out 23 21.9, so the bottom lines actually turned out 23 21.9, so the bottom lines actually turned out 23 0. Were there actual projects or is that a 24 to be the same, roughly about the same. Why 24 A. Right now, that's a conjecture. 25 did you have a reduction in the permanent, but 24 A. Right now, that's a conjecture. 26 O. Vay. Page 171 Page 171 1 A. I'd be very surprised if there were no new 1 Q. If you can't tell me the number of vacancies, can you - 3 every year we get at least a couple of 4 A. I was going to answer another question. 4 Q. And that fact that you continue to get 5 that you have in your department now, in your 6 unexpected projects. 10 Q. Can you capitalized expense in above 8 8 forecast. Every year you seem to get new 9 projects. That's been a recurring trend in 9 10 your department too? 11 A. I think it's fair to say that we do get 11 pethaps some new projects every year. The	19	-	19	
22we get the total, we actually had 21.9 versus22Q. Were there actual projects or is that a2321.9, so the bottom lines actually turned out23conjecture answer?24to be the same, roughly about the same. Why24A. Right now, that's a conjecture.25did you have a reduction in the permanent, but23A. Right now, that's a conjecture.26Page 171Page 171Page 1711A. I'd be very surprised if there were no new2going to answer another question.2every year we get at least a couple of3A. I was going to answer another question.3every year we get at least a couple of3A. I was going to answer another question.4unexpected projects.4Q. Can you tell me the number of vacant positions5of hat fact that you continue to get5that you have in your department now, in your6unexpected projects. That's been a recurring trend in9Q. Okay. When you come back on Monday, can you10you department too?10undertake to tell me the number of vacant11A. I think it's fair to say that we do get11positions that you have as of now?13size of them and how this has impacted these13(Undertaking) Okay. What you've given me, 1014to 15, will work for the purpose of carrying15on for where we're going. Now the 10 or 1515Q. Okay. Let me ask you this question then. Now16that you have now, do you intend to eliminate17vacant positions you had in y	20			
23 21.9, so the bottom lines actually turned out 23 conjecture answer? 24 to be the same, roughly about the same. Why 24 A. Right now, that's a conjecture. 25 did you have a reduction in the permanent, but 25 Q. Okay. Page 171 1 A. I'd be very surprised if there were no new 2 Q. If you can't tell me the number of vacancies, 2 projects that came up in 2002. It seems like 2 can you - 3 every year we get at least a couple of 4. I was going to answer another question. 4 unexpected projects. 4. I was going to answer another question. 5 Q. And that fact that you continue to get 5 that you have in your department now, in your 6 unexpected projects. Continues every year to 7 A. I can't tell you exactly, but it would be 8 forecast. Every year you seem to get new 9 projects. That's been a recurring trend in 9 10 your department too? 11 A. I think it's fair to say that we do get 11 positions thaty ou had so the end of 2002 12 perhaps some new projects every year. The 13 Guheart the unuber of vacant 14 to 1	21		21	
24to be the same, roughly about the same. Why did you have a reduction in the permanent, but24A. Right now, that's a conjecture.25Q. Okay.Page 171Page 1711A. I'd be very surprised if there were no new projects that came up in 2002. It seems like unexpected projects.1Q. If you can't tell me the number of vacancies, can you -3every year we get at least a couple of unexpected projects.3A. I was going to answer another question.4unexpected projects continue to get unexpected projects. Chart's been a recurring trend in your department too?3A. I can't tell you exactly, but it would be somewhere between, I think, 10 and 15 in TRO.9projects. That's been a recurring trend in your department too?9Q. Okay. When you come back on Monday, can you undertake to tell me the number of vacant11A. I think it's fair to say that we do get unmbers, I really can't say.1101515Q. Okay. Let me ask you this question then. Now at the end of 2002, can you tell me how many rvacant positions you had in your division?15on for where we're going. Now the 10 or 1516A. There is an RFI on that, and if I remember usorry.18A. Right now, thave an onitention of eliminating any of those positions, but I think as other we can gain some efficiencies there.20Q. Vacant positions?2121fill any vacant position, we do an analysis and a review of it to determine whether on not we can gain some efficiencies there.24Q. Okay.Q. Well, are you reviewing those 10 to 15?		•		
25 did you have a reduction in the permanent, but 25 Q. Okay. Page 171 1 A. I'd be very surprised if there were no new projects that came up in 2002. It seems like 2 can you - 3 every year we get at least a couple of 3 A. I was going to answer another question. 4 unexpected projects. 4 Q. Can you tell me the number of vacant positions 5 Q. And that fact that you continue to get 6 5 that you have in your department now, in your 6 unexpected projects continues every year to 6 7 A. I can't tell you exactly, but it would be somewhere between, I think, 10 and 15 in TRO. 9 projects. That's been a recurring trend in 9 9 Q. Okay. When you come back on Monday, can you undertake to tell me the number of vacant positions that you have as of now? 11 A. I think it's fair to say that we do get 12 11 Okay. Let me ask you this question then. Now 13 12 15 Q. Okay. Let me ask you this question then. Now 14 15 on for where we're going. Now the 10 or 15 16 at the end of 2002, can you tell me how many 17 18 A. There is an RFI on that, and if I remember 19 correctly, and I stand to be corrected, it was 19 10 witnesses have testified, before we replace or 10				
Page 171Page 1711A. I'd be very surprised if there were no new2projects that came up in 2002. It seems like3every year we get at least a couple of4unexpected projects.5Q. And that fact that you continue to get6unexpected projects continues every year to7bring your capitalized expense in above8forecast. Every year you seem to get new9projects. That's been a recurring trend in10your department too?11A. I think it's fair to say that we do get12perhaps some new projects every year. The13size of them and how this has impacted these14numbers, I really can't say.15Q. Okay. Let me ask you this question then. Now16at the end of 2002, can you tell me how many17vacant positions you had in your division?18A. There is an RFI on that, and if I remember19correctly, and I stand to be corrected, it was20I00 andat the end of 2002, vacancies, I'm21Sorry.22Q. Vacant positions?23A. Sorry. No, I don't know the answer to that.24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	24			
1A. I'd be very surprised if there were no new projects that came up in 2002. It seems like a every year we get at least a couple of unexpected projects.1Q. If you can't tell me the number of vacancies, can you -3every year we get at least a couple of unexpected projects.3A. I was going to answer another question.4unexpected projects.4Q. Can you tell me the number of vacant positions5Q. And that fact that you continue to get unexpected projects continues every year to bring your capitalized expense in above projects. That's been a recurring trend in your department too?711A. I think it's fair to say that we do get perhaps some new projects every year. The is zize of them and how this has impacted these is Q. Okay. Let me ask you this question then. Now if a the end of 2002, can you tell me how many if wacant positions you had in your division?1012O. Kay. Let me ask you this question then. Now if a the end of 2002, can you tell me how many if correctly, and I stand to be corrected, it was 20101010100 andat the end of 2002, vacancies, I'm 20100 andat the end of 2002, vacancies, I'm 20100 andat the end of 2002, vacancies, I'm 201121A. Sorry. No, I don't know the answer to that. 24Q. Well, are you reviewing those 10 to 15?	25	did you have a reduction in the permanent, but	25	Q. Okay.
2projects that came up in 2002. It seems like2can you -3every year we get at least a couple of3A. I was going to answer another question.4unexpected projects.4Q. Can you tell me the number of vacant positions5Q. And that fact that you continue to get5that you have in your department now, in your6unexpected projects continues every year to5that you have in you redepartment now, in your7bring your capitalized expense in above7A. I can't tell you exactly, but it would be8forecast. Every year you seem to get new9projects. That's been a recurring trend in9projects. That's been a recurring trend in9Q. Okay. When you come back on Monday, can you10your department too?10undertake to tell me the number of vacant11A. I think it's fair to say that we do get10positions that you had as of the end of 200212perhaps some new projects every year. The12and the number that you have as of now?13size of them and how this has impacted these13(Undertaking) Okay. What you've given me, 1014numbers, I really can't say.14to 15, will work for the purpose of carrying15Q. Okay. Let me ask you thid in your division?17any of those or will they be filled?18A. There is an RFI on that, and if I remember18A. Right now, I have no intention of eliminating19correctly, and I stand to be corrected, it was19any of those positions, but I think as oth		Page 171		Page 172
3every year we get at least a couple of unexpected projects.3A. I was going to answer another question.4unexpected projects.4Q. Can you tell me the number of vacant positions5Q. And that fact that you continue to get ourexpected projects continues every year to bring your capitalized expense in above forecast. Every year you seem to get new your department too?5that you have in your department now, in your division?7bring your capitalized expense in above forecast. Every year you seem to get new your department too?7A. I can't tell you exactly, but it would be somewhere between, I think, 10 and 15 in TRO.9projects. That's been a recurring trend in your department too?9Q. Okay. When you come back on Monday, can you undertake to tell me the number of vacant11A. I think it's fair to say that we do get perhaps some new projects every year. The size of them and how this has impacted these at the end of 2002, can you tell me how many10undertake to tell me the number of vacant positions you had in your division?15Q. Okay. Let me ask you this question then. Now at the end of 2002, can you tell me how many15on for where we're going. Now the 10 or 15 that you have now, do you intend to eliminate any of those or will they be filled?18A. There is an RFI on that, and if I remember or your.10and those positions, but I think as other any of those positions, but I think as other20100 andat the end of 2002, vacancies, I'm 2020202120Vacant positions?2222Q. Vacant positions?	1	A. I'd be very surprised if there were no new	1	Q. If you can't tell me the number of vacancies,
4unexpected projects.4Q. Can you tell me the number of vacant positions5Q. And that fact that you continue to get5that you have in your department now, in your6unexpected projects continues every year to6that you have in your department now, in your7bring your capitalized expense in above8forecast. Every year you seem to get new99projects. That's been a recurring trend in9Q. Okay. When you come back on Monday, can you10your department too?10undertake to tell me the number of vacant11A. I think it's fair to say that we do get11positions that you had as of the end of 200212perhaps some new projects every year. The12and the number that you have as of now?13size of them and how this has impacted these13(Undertaking) Okay. What you've given me, 1014numbers, I really can't say.14to 15, will work for the purpose of carrying15Q. Okay. Let me ask you thal question then. Now16that you have now, do you intend to eliminate17vacant positions you had in your division?17any of those or will they be filled?18A. There is an RFI on that, and if I remember18A. Right now, I have no intention of eliminating19correctly, and I stand to be corrected, it was19any of those positions, we do an analysis20Q. Vacant positions?21fill any vacant position, we do an analysis21sorry.22and a review of it to determine whether or not </td <td>2</td> <td>projects that came up in 2002. It seems like</td> <td>2</td> <td>can you -</td>	2	projects that came up in 2002. It seems like	2	can you -
5Q. And that fact that you continue to get unexpected projects continues every year to bring your capitalized expense in above 85that you have in your department now, in your division?7bring your capitalized expense in above 86a. I can't tell you exactly, but it would be 88forecast. Every year you seem to get new 99go. Q.	3	every year we get at least a couple of	3	A. I was going to answer another question.
6unexpected projects continues every year to bring your capitalized expense in above 86division?7bring your capitalized expense in above 8forecast. Every year you seem to get new 97A. I can't tell you exactly, but it would be somewhere between, I think, 10 and 15 in TRO.9projects. That's been a recurring trend in 109Q. Okay. When you come back on Monday, can you undertake to tell me the number of vacant 1111A. I think it's fair to say that we do get perhaps some new projects every year. The 1311positions that you had as of the end of 200212perhaps some new projects every year. The size of them and how this has impacted these 1413(Undertaking) Okay. What you've given me, 1014numbers, I really can't say.14to 15, will work for the purpose of carrying15Q. Okay. Let me ask you this question then. Now at the end of 2002, can you tell me how many 1715on for where we're going. Now the 10 or that you have now, do you intend to eliminate any of those or will they be filled?18A. There is an RFI on that, and if I remember 1918A. Right now, I have no intention of eliminating any of those positions, but I think as other20I00 andat the end of 2002, vacancies, I'm 2120witnesses have testified, before we replace or 2121sorry.21fill any vacant positions, we do an analysis 2222Q. Vacant positions?22and a review of it to determine whether or not 2324Q. Okay.24Q. Well, are you reviewing those 10 to 15?<	4	unexpected projects.	4	Q. Can you tell me the number of vacant positions
7bring your capitalized expense in above 87A. I can't tell you exactly, but it would be somewhere between, I think, 10 and 15 in TRO.9projects. That's been a recurring trend in 109Q. Okay. When you come back on Monday, can you undertake to tell me the number of vacant11A. I think it's fair to say that we do get perhaps some new projects every year. The isize of them and how this has impacted these numbers, I really can't say.10914numbers, I really can't say.14to 15, will work for the purpose of carrying15Q. Okay. Let me ask you this question then. Now at the end of 2002, can you tell me how many vacant positions you had in your division?15on for where we're going. Now the 10 or any of those or will they be filled?18A. There is an RFI on that, and if I remember ip correctly, and I stand to be corrected, it was 2019and review of it to determine whether or not witnesses have testified, before we replace or 2122Q. Vacant positions? 2322and a review of it to determine whether or not we can gain some efficiencies there.24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	5	Q. And that fact that you continue to get	5	that you have in your department now, in your
8forecast. Every year you seem to get new 98somewhere between, I think, 10 and 15 in TRO.9projects. That's been a recurring trend in 10your department too?10undertake to tell me the number of vacant11A. I think it's fair to say that we do get 12perhaps some new projects every year. The 1311positions that you had as of the end of 200212perhaps some new projects every year. The 1312and the number that you have as of now?14numbers, I really can't say.14to 15, will work for the purpose of carrying15Q. Okay. Let me ask you this question then. Now 1615on for where we're going. Now the 10 or 1516at the end of 2002, can you tell me how many 1716that you have now, do you intend to eliminate 1717vacant positions you had in your division? 18A. There is an RFI on that, and if I remember 19correctly, and I stand to be corrected, it was 191910any of those positions, but I think as other 2020witnesses have testified, before we replace or 2121sorry.21fill any vacant position, we do an analysis 222223A. Sorry. No, I don't know the answer to that. 2424Q. Well, are you reviewing those 10 to 15?	6	unexpected projects continues every year to	6	division?
9projects. That's been a recurring trend in your department too?9Q. Okay. When you come back on Monday, can you undertake to tell me the number of vacant11A. I think it's fair to say that we do get perhaps some new projects every year. The size of them and how this has impacted these numbers, I really can't say.101014numbers, I really can't say.12and the number that you had as of the end of 2002200215Q. Okay. Let me ask you this question then. Now 1614to 15, will work for the purpose of carrying16at the end of 2002, can you tell me how many 1716that you have now, do you intend to eliminate any of those or will they be filled?18A. There is an RFI on that, and if I remember 2018A. Right now, I have no intention of eliminating any of those positions, but I think as other 2021sorry.21fill any vacant positions?2122Q. Vacant positions?21fill any vacant position, we do an analysis 2223A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there. 2424Q. Okay.24Q. Well, are you reviewing those 10 to 15?	7	bring your capitalized expense in above	7	A. I can't tell you exactly, but it would be
10your department too?10undertake to tell me the number of vacant11A. I think it's fair to say that we do get11positions that you had as of the end of200212perhaps some new projects every year. The12and the number that you have as of now?13size of them and how this has impacted these13(Undertaking) Okay. What you've given me, 1014numbers, I really can't say.14to 15, will work for the purpose of carrying15Q. Okay. Let me ask you this question then. Now15on for where we're going. Now the 10 or16at the end of 2002, can you tell me how many16that you have now, do you intend to eliminate17vacant positions you had in your division?17any of those or will they be filled?18A. There is an RFI on that, and if I remember18A. Right now, I have no intention of eliminating19correctly, and I stand to be corrected, it was19any of those positions, but I think as other20100 andat the end of 2002, vacancies, I'm20witnesses have testified, before we replace or21sorry.21fill any vacant position, we do an analysis22Q. Vacant positions?22and a review of it to determine whether or not23A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there.24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	8	forecast. Every year you seem to get new	8	somewhere between, I think, 10 and 15 in TRO.
11A. I think it's fair to say that we do get11positions that you had as of the end of200212perhaps some new projects every year. The12and the number that you have as of now?13size of them and how this has impacted these13(Undertaking) Okay. What you've given me, 1014numbers, I really can't say.14to 15, will work for the purpose of carrying15Q. Okay. Let me ask you this question then. Now15on for where we're going. Now the 10 or16at the end of 2002, can you tell me how many16that you have now, do you intend to eliminate17vacant positions you had in your division?17any of those or will they be filled?18A. There is an RFI on that, and if I remember18A. Right now, I have no intention of eliminating19correctly, and I stand to be corrected, it was19any of those positions, but I think as other20100 andat the end of 2002, vacancies, I'm20witnesses have testified, before we replace or21sorry.21fill any vacant position, we do an analysis22Q. Vacant positions?22and a review of it to determine whether or not23A. Sorry. No, I don't know the answer to that.23Q. Well, are you reviewing those 10 to 15?24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	9	projects. That's been a recurring trend in	9	Q. Okay. When you come back on Monday, can you
12perhaps some new projects every year. The size of them and how this has impacted these numbers, I really can't say.12and the number that you have as of now?13size of them and how this has impacted these numbers, I really can't say.13(Undertaking) Okay. What you've given me, 1014numbers, I really can't say.14to 15, will work for the purpose of carrying15Q. Okay. Let me ask you this question then. Now at the end of 2002, can you tell me how many vacant positions you had in your division?15on for where we're going. Now the 10 or16at the end of 2002, can you tell me how many vacant positions you had in your division?17any of those or will they be filled?18A. There is an RFI on that, and if I remember correctly, and I stand to be corrected, it was19any of those positions, but I think as other20100 andat the end of 2002, vacancies, I'm sorry.20witnesses have testified, before we replace or21sorry.21fill any vacant position, we do an analysis22Q. Vacant positions?22and a review of it to determine whether or not23A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there.24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	10	• •	10	undertake to tell me the number of vacant
13size of them and how this has impacted these13(Undertaking) Okay. What you've given me, 1014numbers, I really can't say.14to 15, will work for the purpose of carrying15Q. Okay. Let me ask you this question then. Now14to 15, will work for the purpose of carrying16at the end of 2002, can you tell me how many15on for where we're going. Now the 10 or 1517vacant positions you had in your division?17any of those or will they be filled?18A. There is an RFI on that, and if I remember18A. Right now, I have no intention of eliminating19correctly, and I stand to be corrected, it was19any of those positions, but I think as other20100 andat the end of 2002, vacancies, I'm20witnesses have testified, before we replace or21sorry.21fill any vacant position, we do an analysis22Q. Vacant positions?22and a review of it to determine whether or not23A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there.24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	11	· ·	11	· ·
14numbers, I really can't say.14to 15, will work for the purpose of carrying15Q. Okay. Let me ask you this question then. Now at the end of 2002, can you tell me how many vacant positions you had in your division?14to 15, will work for the purpose of carrying16at the end of 2002, can you tell me how many vacant positions you had in your division?15on for where we're going. Now the 10 or 1518A. There is an RFI on that, and if I remember correctly, and I stand to be corrected, it was 100 andat the end of 2002, vacancies, I'm sorry.18A. Right now, I have no intention of eliminating any of those positions, but I think as other 2020Vacant positions?21fill any vacant position, we do an analysis 2223A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there. 2424Q. Well, are you reviewing those 10 to 15?	12		12	•
15Q. Okay. Let me ask you this question then. Now at the end of 2002, can you tell me how many vacant positions you had in your division?15on for where we're going. Now the 10 or1516at the end of 2002, can you tell me how many vacant positions you had in your division?15on for where we're going. Now the 10 or1518A. There is an RFI on that, and if I remember correctly, and I stand to be corrected, it was 100 andat the end of 2002, vacancies, I'm sorry.18A. Right now, I have no intention of eliminating any of those positions, but I think as other20100 andat the end of 2002, vacancies, I'm sorry.20witnesses have testified, before we replace or 2122Q. Vacant positions?21fill any vacant position, we do an analysis23A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there.24Q. Well, are you reviewing those 10 to 15?	13	-	13	
16at the end of 2002, can you tell me how many vacant positions you had in your division?16that you have now, do you intend to eliminate any of those or will they be filled?18A. There is an RFI on that, and if I remember correctly, and I stand to be corrected, it was 100 andat the end of 2002, vacancies, I'm sorry.18A. Right now, I have no intention of eliminating any of those positions, but I think as other20100 andat the end of 2002, vacancies, I'm sorry.20witnesses have testified, before we replace or 2121sorry.21fill any vacant position, we do an analysis22Q. Vacant positions?22and a review of it to determine whether or not23A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there.24Q. Well, are you reviewing those 10 to 15?	14		14	to 15, will work for the purpose of carrying
17vacant positions you had in your division?17any of those or will they be filled?18A. There is an RFI on that, and if I remember18A. Right now, I have no intention of eliminating19correctly, and I stand to be corrected, it was19any of those positions, but I think as other20100 andat the end of 2002, vacancies, I'm20witnesses have testified, before we replace or21sorry.21fill any vacant position, we do an analysis22Q. Vacant positions?22and a review of it to determine whether or not23A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there.24Q. Well, are you reviewing those 10 to 15?	15		15	
18A. There is an RFI on that, and if I remember correctly, and I stand to be corrected, it was18A. Right now, I have no intention of eliminating any of those positions, but I think as other19100 andat the end of 2002, vacancies, I'm sorry.18A. Right now, I have no intention of eliminating any of those positions, but I think as other20100 andat the end of 2002, vacancies, I'm sorry.20witnesses have testified, before we replace or 2121sorry.21fill any vacant position, we do an analysis22Q. Vacant positions?22and a review of it to determine whether or not 2323A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there.24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	16		16	
19correctly, and I stand to be corrected, it was19any of those positions, but I think as other20100 andat the end of 2002, vacancies, I'm20witnesses have testified, before we replace or21sorry.21fill any vacant position, we do an analysis22Q. Vacant positions?22and a review of it to determine whether or not23A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there.24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	17		17	•
20100 andat the end of 2002, vacancies, I'm20witnesses have testified, before we replace or21sorry.21fill any vacant position, we do an analysis22Q. Vacant positions?22and a review of it to determine whether or not23A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there.24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	18		18	
21sorry.22Q. Vacant positions?23A. Sorry. No, I don't know the answer to that.24Q. Okay.21fill any vacant position, we do an analysis22and a review of it to determine whether or not23we can gain some efficiencies there.24Q. Well, are you reviewing those 10 to 15?	19	-	19	
22Q. Vacant positions?22and a review of it to determine whether or not23A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there.24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	20	100 andat the end of 2002, vacancies, I'm	20	witnesses have testified, before we replace or
23A. Sorry. No, I don't know the answer to that.23we can gain some efficiencies there.24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	21	•	21	
24Q. Okay.24Q. Well, are you reviewing those 10 to 15?	22		22	and a review of it to determine whether or not
	23	A. Sorry. No, I don't know the answer to that.	23	we can gain some efficiencies there.
25 A I'm sorry 25 MR MARTIN	24	•	24	Q. Well, are you reviewing those 10 to 15?
	25	A. I'm sorry.	25 N	IR. MARTIN:

Multi-PageTMNL Hydro's 2003 General Rate Application

	obel 24, 2003 Iviuit	1-1 ag	se INL Hyuro s 2005 General Kate Application
	Page 173		Page 174
1	A. We will be reviewing those 10 to 15.	1	the 2003 permanent and temporary positions and
2	Q. Well, how long have they been vacant?	2	2004 forecast and if you can just go up a
3	A. Some of them would have been vacant as of the	3	little bit more, Mr. O'Reilly, so we can get
4	1st of August, one in particular that I know	4	the note down at the bottom, please? Now the
5	of, and others perhaps longer, perhaps even	5	note on the bottom, which goes to the 791 in
6	shorter. But -	6	2004, says "this does reflect the reduction in
7 (1:00 p.m.)	7	permanent complement to August of '03, but
8	Q. I'm just trying to understand the process.	8	does not reflect future anticipated staffing
9	Like when do youwhen a position becomes	9	reductions that are reflected in the revenue
10	vacant, when do you start? If you've got	10	requirement through the vacancy allowance."
11	these 10 or 15 and you haven't started any of	11	So do I take it from that note, Mr. Martin,
12	them yet, why?	12	that the 791 is the number of positions that
13	A. I would love to have started two months ago,	13	youwell, first of all, that Hydro itself
14	but -	14	we'll talk about your division in a minute
15	Q. Why didn't you?	15	that Hydro is carrying for its 2004 forecast?
16	A. I think the answer to that is fairly obvious.	16	A. As I understand it, that will be the number
17	Q. And it ishelp me.	17	that Hydro will be carrying as a result of the
18	A. It's preparing for this hearing.	18	forecast that is to be filed by the end of
19	Q. Okay.	19	October.
20	A. Or trying to become prepared for this hearing	20	Q. So it's not reflected in the current one?
21	has taken an inordinate amount of time, to be	21	A. No, I believe -
22	quite frank.	22	Q. In other words, in -
23	Q. Let me take you to NP-35, and we haveif we	23	A those numbers have changed since the -
24	could just scroll up another little bit, Mr.	24	Q. Sorry?
25	O'Reilly. We have some information here on	25	A. I believe those numbers have changed since the
	Page 175		Page 176
1	original or the revised filing.		-
1 1		1	eliminated since then
$\begin{vmatrix} 1 \\ 2 \end{vmatrix}$	÷ •	$\begin{vmatrix} 1 \\ 2 \end{vmatrix}$	eliminated since then. O So since you filed in April you've
2	Q. Well, let's go back and look at your	2	Q. So since you filed in April, you've
2 3	Q. Well, let's go back and look at your department, because that's what I want to try	2 3	Q. So since you filed in April, you've eliminated, completely gone, seven positions?
2 3 4	Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I	2 3 4	Q. So since you filed in April, you've eliminated, completely gone, seven positions?A. In TRO, yes.
2 3 4 5	Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations,	2 3 4 5	Q. So since you filed in April, you've eliminated, completely gone, seven positions?A. In TRO, yes.Q. In TRO?
2 3 4 5 6	Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349	2 3 4 5 6	Q. So since you filed in April, you've eliminated, completely gone, seven positions?A. In TRO, yes.Q. In TRO?A. That's correct.
2 3 4 5 6 7	Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and	2 3 4 5 6 7	Q. So since you filed in April, you've eliminated, completely gone, seven positions?A. In TRO, yes.Q. In TRO?A. That's correct.Q. Okay. That's what I'm trying to understand.
2 3 4 5 6 7 8	Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries.	2 3 4 5 6 7 8	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be
2 3 4 5 6 7 8 9	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. 	2 3 4 5 6 7 8 9	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping
2 3 4 5 6 7 8 9 10	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? 	2 3 4 5 6 7 8 9 10	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or
2 3 4 5 6 7 8 9 10 11	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. 	2 3 4 5 6 7 8 9 10 11	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO?
2 3 4 5 6 7 8 9 10 11 12	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before 	2 3 4 5 6 7 8 9 10 11 12	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49.
2 3 4 5 6 7 8 9 10 11 12 13	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions 	2 3 4 5 6 7 8 9 10 11 12 13	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to
2 3 4 5 6 7 8 9 10 11 12 13 14	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions or FTEs are in the application that is before 	2 3 4 5 6 7 8 9 10 11 12 13 14	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to 15 vacant positions?
2 3 4 5 6 7 8 9 10 11 12 13 14 15	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions or FTEs are in the application that is before us, if there are seven somehow to be 	2 3 4 5 6 7 8 9 10 11 12 13 14 15	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to 15 vacant positions? A. I would suggest it's taken into account in the
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions or FTEs are in the application that is before us, if there are seven somehow to be eliminated? 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to 15 vacant positions? A. I would suggest it's taken into account in the vacancy adjustment allotment that's been
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions or FTEs are in the application that is before us, if there are seven somehow to be eliminated? A. There is the 342 plus the 49. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to 15 vacant positions? A. I would suggest it's taken into account in the vacancy adjustment allotment that's been associated with TRO for 2004 of in excess of a
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions or FTEs are in the application that is before us, if there are seven somehow to be eliminated? A. There is the 342 plus the 49. Q. So in the current application in your 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to 15 vacant positions? A. I would suggest it's taken into account in the vacancy adjustment allotment that's been associated with TRO for 2004 of in excess of a million dollars.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions or FTEs are in the application that is before us, if there are seven somehow to be eliminated? A. There is the 342 plus the 49. Q. So in the current application in your division, it is based on 349? 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to 15 vacant positions? A. I would suggest it's taken into account in the vacancy adjustment allotment that's been associated with TRO for 2004 of in excess of a million dollars. Q. Okay. But that's the only place it would be?
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions or FTEs are in the application that is before us, if there are seven somehow to be eliminated? A. There is the 342 plus the 49. Q. So in the current application in your division, it is based on 349? A. 342 plus the 49. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to 15 vacant positions? A. I would suggest it's taken into account in the vacancy adjustment allotment that's been associated with TRO for 2004 of in excess of a million dollars. Q. Okay. But that's the only place it would be? A. That's right.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions or FTEs are in the application that is before us, if there are seven somehow to be eliminated? A. There is the 342 plus the 49. Q. So in the current application in your division, it is based on 349? A. 342 plus the 49. Q. Plus, but is that what is currently in the 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to 15 vacant positions? A. I would suggest it's taken into account in the vacancy adjustment allotment that's been associated with TRO for 2004 of in excess of a million dollars. Q. Okay. But that's the only place it would be? A. That's right. Q. Okay. But you'll come back and let us know on
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions or FTEs are in the application that is before us, if there are seven somehow to be eliminated? A. There is the 342 plus the 49. Q. So in the current application in your division, it is based on 349? A. 342 plus the 49. Q. Plus, but is that what is currently in the application? 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to 15 vacant positions? A. I would suggest it's taken into account in the vacancy adjustment allotment that's been associated with TRO for 2004 of in excess of a million dollars. Q. Okay. But that's the only place it would be? A. That's right. Q. Okay. But you'll come back and let us know on Monday how many are currently vacant there?
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions or FTEs are in the application that is before us, if there are seven somehow to be eliminated? A. There is the 342 plus the 49. Q. So in the current application in your division, it is based on 349? A. 342 plus the 49. Q. Plus, but is that what is currently in the application? A. I think it's 349 plus 49, yes. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to 15 vacant positions? A. I would suggest it's taken into account in the vacancy adjustment allotment that's been associated with TRO for 2004 of in excess of a million dollars. Q. Okay. But that's the only place it would be? A. That's right. Q. Okay. But you'll come back and let us know on Monday how many are currently vacant there? A. We certainly will.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 Q. Well, let's go back and look at your department, because that's what I want to try to explore here a little bit. I notice if I come across transmission and rural operations, at line 17, you had at the end of 2003, 349 but as of August '03, you've got 342 and you've got the same number of temporaries. A. That's correct. Q. Do you see that? A. Yes. Q. How many are in the application that is before the Board now? How many permanent positions or FTEs are in the application that is before us, if there are seven somehow to be eliminated? A. There is the 342 plus the 49. Q. So in the current application in your division, it is based on 349? A. 342 plus the 49. Q. Plus, but is that what is currently in the application? 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	 Q. So since you filed in April, you've eliminated, completely gone, seven positions? A. In TRO, yes. Q. In TRO? A. That's correct. Q. Okay. That's what I'm trying to understand. Okay. So when you refile, will you be refiling with any further reductions, keeping in mind that you've now got still some 10 or 15 vacant positions in TRO? A. We will be refiling with the 342 plus 49. Q. But not taking into account any of the 10 to 15 vacant positions? A. I would suggest it's taken into account in the vacancy adjustment allotment that's been associated with TRO for 2004 of in excess of a million dollars. Q. Okay. But that's the only place it would be? A. That's right. Q. Okay. But you'll come back and let us know on Monday how many are currently vacant there?

Multi-PageTMNL Hydro's 2003 General Rate Application

	ober 24, 2003 Mult	l-Pag	e NL Hydro's 2003 General Rate Application
	Page 177		Page 178
1	look at NP-9, at page 4 of 6. And this gives	1	A. That's correct.
2	us the information for transmission and rural	2	Q. Okay. Now, let's go to NP-10 and as I look at
3	operations going back to 1999? And if we go	3	NP-10, Hydro in total, in the permanent
4	back to page 1 first, just so you're not	4	category since 1997, has gone from 904, down
5	mislead by the numbers, this is, in the	5	to 791 for a difference of 113?
6	answer, the permanent staffing level by	6	A. That's correct.
7	division in department?	7	Q. Okay. Now, I make that, that you've had 78
8	A. Okay.	8	gone out of your department, our of four, I
9	Q. Okay? If we can just go back to 4 of 6 for a	9	guess, of your department, which is 69 percent
10	moment, if we look at operations, that would	10	of Hydro's total reduction, 79 out of 113, 69
11	be, as I understand it, the three regional	11	percent.
12	offices that we talked about a few moments	12	A. I'll trust your math.
13	ago, central, northern and Labrador, correct?	13	Q. The bulk of them come out of your department
14	A. That's correct.	14	or your division, do you agree with that, Mr.
15	Q. Okay, and so since 1997, they've gone down	15	Martin?
16	from 366 positions, down to, as of August 03,	16	A. Certainly, the numbers speak for themselves.
17	292, for a difference of, as I make it, of 74	17	Q. Okay, and in fact, if I go back to NP-9 for a
18	if you do the math?	18	moment, you've got four of six there, which
19	A. That's correct.	19	take us up to August '03, if we just scroll
20	Q. And if you go over to engineering, you had a	20	back to two of six for a moment, which is Mr.
21	reduction of four positions there?	21	Haynes' department that we looked at with him,
22	A. Correct.	22	the major reductions there are in the thermal
23	Q. And environment and properties is essentially	23	generation department, in which we had 14
24	the same. So your division has had 78	24	deleted and so, with the Holyrood and the
25	permanent reductions since 1997?	25	divisions or the departments in which you had
	Page 179		Page 180
1	the cut, if I look at the combined total of	1	Q. Were you involved in the process at TRO in
2	Holyrood and those four departments in which	2	which that was done?
3	you've had to cut, I get 78 plus 14 for a	3	A. I was involved in some of it, yes.
4	total of 92, out of 113, which makes 81	4	Q. Okay. Now did TRO, the group that was looking
5	percent, 81 percent of all the reductions that	5	at these savings in TRO, did you look at it
6	Hydro has achieved have come out of four of	6	only on this position is vacant, let's look at
7	your department, plus Holyrood's. And that	7	what we can do there, or did you step back and
8	seems to be the math, first of all, do you	8	look at the whole picture and see how you
9	agree with that in general terms?	9	could achieve a reorganization to achieve some
10	A. Well, I'll accept your math, subject to	10	benefits?
11	checking.	11	A. I think the answer to that is both, you know,
12	Q. Right, by all means. So that would give us 81	12	like I said before, if we have a vacancy now
13	percent of all of the reductions come out of	13	of even one position, there's always an
14	five Hydro departments out of nineteen, with	14	analysis, a review done of that particular
15	the vast bulk of them being in TRO. Now, what	15	position to see if there's an opportunity
16	I would like you to help us understand is how	16	there for savings or efficiency. A lot of the
17	did TRO achieve that? Because you got the	17	other initiatives going back to 1995 when TRO
18	bulk of them.	18	reorganized and went from six regional offices
19	A. TRO achieved it, as I indicated in the direct	19	to three, was an analysis, an opportunity was
20	examination, achieved that through the	20	identified, it was analyzed, there was thought
21	identification of an opportunity, an analysis	21	to be savings there, we implement it and we
22	of an opportunity to determine whether or not	22	realize the savings. The DSR's was another
23	there could be savings and as a result of that	23	initiative, the line worker review was another
	-		
24	analysis, implemented the change and got the savings.	24	one, so I think we have to say that we do

	Page 181		Page 182
1	both, we look at specific initiatives in	1	temporary.
2	certain areas, as opportunities arise, and we	2	Q. Is that approach capable of having application
3	look at individual positions. We do both.	3	elsewhere in Hydro, and if so, what are the
4	Q. Okay. What I'm particularly interested in is	4	plans to do anything with it?
5	the process that you went through for looking	5	A. I think as Mr. Wells and Mr. Roberts and
6	at the restructuring; in other words, not	6	others have said, we are continuing that
7	simply so much the individual vacant position,	7	approach. What TRO has done in the past has
8	but did you set up a committee to look at	8	been generally specific to TRO, looking at
9	that? Was there a particular individual	9	their own division. The business process
10	assigned to look at that process?	10	improvement initiative that Hydro is
11	A. I think generally speaking with the larger	11	undertaking now, is looking at all processes
12	initiatives it's fair for me to say that there	12	across all divisions and we've already had
13	would have been a committee or a working group	13	some successes in that area. And we will
14	established, I'm thinking now specifically of	14	continue to do that and the expected results
15	the line worker review, there was a committee	15	of that are reflected in the 2.5 million
16	established of three of our labour managers	16	dollars you see in the vacancy reduction or at
17	representing all three regions. They	17	least the 1.5 million dollar addition to the
18	benchmarked where we were with regard to line	18	normal vacancy adjustment.
19	workers. They came up with what they thought	19	Q. Now, let's just talk about the business
20	was a reasonable proposal for change. The	20	improvement initiative for a second. We've
21	proposal was presented to management, it was	21	already heard the evidence that there's about
22	accepted and the changes implemented, and it	22	\$600,000.00, plus 128 for meter reading in
23	resulted in the elimination of the 11 line	23	total. Which of those components come in your
24	worker positions and a reduction of another 13	24	division?
25	permanent ground worker positions to part-time	25	A. I think as indicated in the numbers we just
	Page 183		Page 184
	1 age 105		1 age 104
1	went through, we have sincesince the	1	get a net gain there; internal audit is the
1 2	0	1 2	6
1	went through, we have sincesince the		get a net gain there; internal audit is the
2	went through, we have sincesince the beginning of 2003, eliminated 7 positions as a	2	get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So
2 3	went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement.	2 3	get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we
2 3 4	went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this	2 3 4	get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So
2 3 4 5	went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement.Q. So those 7 are ones attributable to this business process improvement?	2 3 4 5	get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in
2 3 4 5 6	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM 	2 3 4 5 6	get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO?A. To this particular point in time, the processes that were reviewed had particular
2 3 4 5 6 7	went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement.Q. So those 7 are ones attributable to this business process improvement?A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are	2 3 4 5 6 7	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer
2 3 4 5 6 7 8	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I 	2 3 4 5 6 7 8	get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO?A. To this particular point in time, the processes that were reviewed had particular
2 3 4 5 6 7 8 9	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more 	2 3 4 5 6 7 8 9	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO.
2 3 4 5 6 7 8 9 10 11 12	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we 	2 3 4 5 6 7 8 9 10	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement
2 3 4 5 6 7 8 9 10 11 12 13	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try 	2 3 4 5 6 7 8 9 10 11	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement initiative in TRO? Was there one particular
2 3 4 5 6 7 8 9 10 11 12	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try to localize your focus on individual 	2 3 4 5 6 7 8 9 10 11 12	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement
2 3 4 5 6 7 8 9 10 11 12 13 14 15	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try to localize your focus on individual divisions. But the 7 you are referring to 	2 3 4 5 6 7 8 9 10 11 12 13 14 15	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement initiative in TRO? Was there one particular individual or director or somebody assigned or
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try to localize your focus on individual divisions. But the 7 you are referring to were all as a result of business process 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement initiative in TRO? Was there one particular individual or director or somebody assigned or A. If you're talking about the new formal
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try to localize your focus on individual divisions. But the 7 you are referring to were all as a result of business process improvess improvement initiatives that resulted in the 7 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement initiative in TRO? Was there one particular individual or director or somebody assigned or - A. If you're talking about the new formal approach to business process improvement that
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try to localize your focus on individual divisions. But the 7 you are referring to were all as a result of business process improvement initiatives that resulted in the 7 positions being eliminated this year. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement initiative in TRO? Was there one particular individual or director or somebody assigned or - A. If you're talking about the new formal approach to business process improvement that we've been talking about in the hearings for
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try to localize your focus on individual divisions. But the 7 you are referring to were all as a result of business process improvement initiatives that resulted in the 7 positions being eliminated this year. Q. Okay, can we just put NP-35 back up on the 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement initiative in TRO? Was there one particular individual or director or somebody assigned or - A. If you're talking about the new formal approach to business process improvement that we've been talking about in the hearings for the last couple of weeks, a former director,
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try to localize your focus on individual divisions. But the 7 you are referring to were all as a result of business process improvess improvement initiatives that resulted in the 7 positions being eliminated this year. Q. Okay, can we just put NP-35 back up on the screen then? And if we scroll up there and we 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement initiative in TRO? Was there one particular individual or director or somebody assigned or - A. If you're talking about the new formal approach to business process improvement that we've been talking about in the hearings for the last couple of weeks, a former director, the director of transmission and rural
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try to localize your focus on individual divisions. But the 7 you are referring to were all as a result of business process improves improvement initiatives that resulted in the 7 positions being eliminated this year. Q. Okay, can we just put NP-35 back up on the screen then? And if we scroll up there and we look at the various departments, in terms of 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement initiative in TRO? Was there one particular individual or director or somebody assigned or - A. If you're talking about the new formal approach to business process improvement that we've been talking about in the hearings for the last couple of weeks, a former director, the director of transmission and rural operations, who is now an executive director
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try to localize your focus on individual divisions. But the 7 you are referring to were all as a result of business process improvement initiatives that resulted in the 7 positions being eliminated this year. Q. Okay, can we just put NP-35 back up on the screen then? And if we scroll up there and we look at the various departments, in terms of permanent employees and we see where this 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement initiative in TRO? Was there one particular individual or director or somebody assigned or - A. If you're talking about the new formal approach to business process improvement that we've been talking about in the hearings for the last couple of weeks, a former director, the director of transmission and rural operations, who is now an executive director in the Corporation, reporting directly to Mr.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try to localize your focus on individual divisions. But the 7 you are referring to were all as a result of business process improvement initiatives that resulted in the 7 positions being eliminated this year. Q. Okay, can we just put NP-35 back up on the screen then? And if we scroll up there and we look at the various departments, in terms of permanent employees and we see where this business improvement initiative has borne 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement initiative in TRO? Was there one particular individual or director or somebody assigned or - A. If you're talking about the new formal approach to business process improvement that we've been talking about in the hearings for the last couple of weeks, a former director, the director of transmission and rural operations, who is now an executive director in the Corporation, reporting directly to Mr. Wells, has responsibility for leading that
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 went through, we have sincesince the beginning of 2003, eliminated 7 positions as a result of business process improvement. Q. So those 7 are ones attributable to this business process improvement? A. In my mind, it's all business process improvement, I mean, the initiatives that we undertook with the line worker review, the RCM program, the DSR's, all of these things are reflective of business process improvement. I think the one you're referring to is the more formal approach that we've taken now, where we go across all divisions, rather than just try to localize your focus on individual divisions. But the 7 you are referring to were all as a result of business process improvement initiatives that resulted in the 7 positions being eliminated this year. Q. Okay, can we just put NP-35 back up on the screen then? And if we scroll up there and we look at the various departments, in terms of permanent employees and we see where this 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	 get a net gain there; internal audit is the same; finance is down five, so there may be some improvement there; TRO is the seven we looked at; and one in human resources. So again, the bulk of business improvement is in TRO? A. To this particular point in time, the processes that were reviewed had particular application to things like finance, customer services that is in the finance division, and TRO. Q. But who ran the business improvement initiative in TRO? Was there one particular individual or director or somebody assigned or - A. If you're talking about the new formal approach to business process improvement that we've been talking about in the hearings for the last couple of weeks, a former director, the director of transmission and rural operations, who is now an executive director in the Corporation, reporting directly to Mr.

Multi-PageTMNL Hydro's 2003 General Rate Application

	ober 24, 2003 Mult	1- г а	age ¹¹⁸ NL Hydro's 2003 General Rate Application
	Page 185		Page 186
1	Q. Who is that?	1	A. I'm thinking it was 2002.
2	A. His name is Tom Vatcher.	2	Q. Sometime in 2002?
3	Q. Okay, so Mr. Vatcher was a director in your	3	A. Yes.
4	department that ran these initiatives that we	4	Q. So it's been in place for roughly about a
5	just looked at, or was a main person involved	5	year?
6	in it?	6	A. A year.
7	A. He was the team lead, we'll say.	7	Q. All right. Let's go next tohave a look at
8	Q. And he's now gone over as an executive	8	CA-46, which dealt with some of the costs
9	director reporting directly to Mr. Wells. Is	9	associated with these things. In terms of the
10	that an attempt to try to make some of these	10	efforts in the TRO division, were there
11	improvements applicable elsewhere in the	11	particular studies or reports done with
12	organization?	12	respect to TRO?
13	A. I don't think it's an attempt to make these	13	A. You mean with regard to some of our
14	things applicable in other parts of the	14	initiatives, like, DRS's and -
15	organization, that's not a fair	15	Q. Yes.
16	characterization, I would suggest.	16	A. There were certainly analyses done.
17	Q. Okay, you put it in your words.	17	Q. Were there reports generated from those
18	A. Well it's to put the emphasis on it at the	18	analyses?
19	executive level, that Mr. Wells and others	19	A. No, there were not.
20	expect results from this and the person who is	20	Q. How did youtake for example the DSR program,
21	leading the initiative and charged with the	21	this is what puzzles me, I've listened to your
22	responsibility of it, now reports to the	22	explanation, sounds great, but how did you
23	president and CEO himself.	23	knowhow do you know that that was going to
24	Q. When did that change in Mr. Vatcher's status	24	result in real reduction? What sort of
25	to report to the CEO take place?	25	analysis did you go through to determine that
	Page 187		Page 188
1	there would be cost reductions and why is	1	the state that everybody was comfortable with,
2	there not some report on it?	2	the initiative would have been approved and it
3	A. Well there seems to be a fixation with reports	3	would have been implemented.
4	and I really don't know why, but the way the	4	Q. But don't you think it would have been also
5	DSR -	5	helpful for the Board, for example, to have
6	Q. The reason is because you're a regulated	6	summarized that into, that process then into a
7	utility, and as a regulated utility, the Board	7	short report as to here's what we're doing in
8	has a certain mandate, so that's the thrust	8	the projected savings?
9	for the why, but you go ahead.	9	A. Even though I'm an engineer, at times I'm not
10	A. That's what I'm going to try and explain how	10	all that strong a proponent for reports.
11	Ihow this is done. There was, again, with	11	There's a place for reports; there's a place
12	the DSR initiative, similar to the line worker	12	for identifying things. We have limited
13	review, there would have been a group of key	13	resources. We identify, we analyzed, we
14	individuals in the organization put together.	14	identify an opportunity, we put the cost
15	They would have analyzed the current	15	savings around it, we present it, it's agreed
16	situation, they would have identified an	16	by management, we implement, we move on.
17	opportunity for improvement. There would have	17	That's the process.
18	been an analysis done with regard to the	18	Q. Let me take you to IC-39 next and it's page 3
19	projected savings through that initiative.	19	of 3. Now we were talking about salaries and
20	That initiative would have been brought back	20	benefits and if I look at the '97 salaries and
21	and presented as a Power Point presentation or	21	benefits in your department, TRO, at 22. 8
22	something similar to management. Management,	22	million.
23	no doubt, would have asked questions, prodded,	23	A. Yes.
24	perhaps even made suggestions for changes. At	24	Q. Okay. And I go across to the forecast for
25	the end of the day when the initiative was in	25	KELLY, Q.C.:

	,		
	Page 189		Page 190
1	2004 at 24.5 million, I have a 7.3 percent	1	management people that were included in the
2	increase overall. You can do the math if you	2	layoffs.
3	wish.	3	Q. Right.
4	A. No, that's fine.	4	A. And I think you're correct in saying that
5	Q. You'll get 7.3 percent. Now, I take you next	5	there were more union layoffs than non-union
6	to CA 61, page 2 of 2. This gives us a	6	layoffs.
7	breakdown by union and non union.	7	Q. The bigger proportion in the union than in the
8	Unfortunately, it only goes back to 1998, but	8	management. I don't need to go to -
9	if you do the same analysis, you go down to	9	A. That's my recollection of the RFI, yes.
10	your department of Transmission in Rural	10	Q. Right, okay. Can I then take you to IC-212 at
11	operations and you have look at the changes	11	page four of the attachment, page four. If
12	there. The union part of it is up from 24.7	12	you go down to the bottom, Mr. O'Reilly,
13	in '98 to 25.5, very small increase. The non-	13	they'll give you the page numbers, a little
14	union is up from 19.2 to 24.7. So, in fact,	14	bit further up, there you go, come into the
15	if we make the math, about 28.7 for the non-	15	screen on the bottom. Mr. Martin, one of the
16	union and 3.2 for the union. So, the bulk of	16	items that the union raised in this was
17	the increase in the total package is in the	17	talking about reduction in staff and Hydro
18	there's a much bigger increase in the non-	18	taking 60 fulltime equivalents in 2003,
19	union even though the wage rates approximately	19	another 60 fulltime in 2004 and no reduction
20	went up by about the same amount. Which would	20	in supervisory staff. First of all, can I get
21	lead us to conclude that the bulk of the	21	you to address the comments as expressed there
22	layoffs were in the union employee category.	22	first?
23	First of all, can you confirm that?	23	A. Well, I guess my first comment would be, I
24	A. I think there was an RFI on that where we	24	don't really know where they got the 60
25	indicated the number of non-management versus	25	fulltime equivalents in '03 and another 60 in
	-		
	Page 101		Page 192
1	Page 191 '04 I don't know what the basis of those	1	Page 192 or if there's an opportunity identified for
1 2	'04. I don't know what the basis of those	1	or if there's an opportunity identified for
2	'04. I don't know what the basis of those numbers are. With regards to the reductions	2	or if there's an opportunity identified for improvements or efficiencies, we identify it,
2 3	'04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest	2 3	or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost
2 3 4	'04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based	2 3 4	or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service,
2 3 4 5	'04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of	2 3 4 5	or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement.
2 3 4 5 6	'04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the	2 3 4 5 6	or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the
2 3 4 5 6 7	'04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as	2 3 4 5 6 7	or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement.Q. That answer is just one part though of the two-part components we looked at earlier.
2 3 4 5 6 7 8	'04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and	2 3 4 5 6 7 8	or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement.Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is
2 3 4 5 6 7 8 9	'04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the	2 3 4 5 6 7 8 9	or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement.Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look
2 3 4 5 6 7 8 9 10	'04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same	2 3 4 5 6 7 8 9 10	or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement.Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory
2 3 4 5 6 7 8 9 10 11	'04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree.	2 3 4 5 6 7 8 9 10 11	or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement.Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel?
2 3 4 5 6 7 8 9 10 11 12	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we 	2 3 4 5 6 7 8 9 10 11 12	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there.
2 3 4 5 6 7 8 9 10 11 12 13	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come 	2 3 4 5 6 7 8 9 10 11 12 13	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's
2 3 4 5 6 7 8 9 10 11 12 13 14	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come down significantly, from ninety seven three 	2 3 4 5 6 7 8 9 10 11 12 13 14	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's always there, my question is then what are you
2 3 4 5 6 7 8 9 10 11 12 13 14 15	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come down significantly, from ninety seven three sixty six down to two ninety two. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's always there, my question is then what are you doing with it?
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come down significantly, from ninety seven three sixty six down to two ninety two. A. Right. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's always there, my question is then what are you doing with it? A. Well again, we are -
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come down significantly, from ninety seven three sixty six down to two ninety two. A. Right. Q. That hasn't simply been replaced with 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's always there, my question is then what are you doing with it? A. Well again, we are - Q. Other than looking at individual vacancies?
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come down significantly, from ninety seven three sixty six down to two ninety two. A. Right. Q. That hasn't simply been replaced with temporary staff. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's always there, my question is then what are you doing with it? A. Well again, we are - Q. Other than looking at individual vacancies? A. No, but we're continually looking at our
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come down significantly, from ninety seven three sixty six down to two ninety two. A. Right. Q. That hasn't simply been replaced with temporary staff. A. No, it hasn't, no. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's always there, my question is then what are you doing with it? A. Well again, we are - Q. Other than looking at individual vacancies? A. No, but we're continually looking at our structure, our organization. I mean, like I
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come down significantly, from ninety seven three sixty six down to two ninety two. A. Right. Q. That hasn't simply been replaced with temporary staff. A. No, it hasn't, no. Q. No, so the thrust of the question is, is there 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's always there, my question is then what are you doing with it? A. Well again, we are - Q. Other than looking at individual vacancies? A. No, but we're continually looking at our structure, our organization. I mean, like I said before, in TRO, we went from six regions
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come down significantly, from ninety seven three sixty six down to two ninety two. A. Right. Q. That hasn't simply been replaced with temporary staff. A. No, it hasn't, no. Q. No, so the thrust of the question is, is there not still an opportunity to look at the 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's always there, my question is then what are you doing with it? A. Well again, we are - Q. Other than looking at individual vacancies? A. No, but we're continually looking at our structure, our organization. I mean, like I said before, in TRO, we went from six regions in '96, I believe it was, or '95 to three. We
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come down significantly, from ninety seven three sixty six down to two ninety two. A. Right. Q. That hasn't simply been replaced with temporary staff. A. No, it hasn't, no. Q. No, so the thrust of the question is, is there not still an opportunity to look at the supervisory structures in your department. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's always there, my question is then what are you doing with it? A. Well again, we are - Q. Other than looking at individual vacancies? A. No, but we're continually looking at our structure, our organization. I mean, like I said before, in TRO, we went from six regions in '96, I believe it was, or '95 to three. We are continually looking at ways to improve.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come down significantly, from ninety seven three sixty six down to two ninety two. A. Right. Q. That hasn't simply been replaced with temporary staff. A. No, it hasn't, no. Q. No, so the thrust of the question is, is there not still an opportunity to look at the supervisory structures in your department. A. Yes, as I've mentioned throughout this 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's always there, my question is then what are you doing with it? A. Well again, we are - Q. Other than looking at individual vacancies? A. No, but we're continually looking at our structure, our organization. I mean, like I said before, in TRO, we went from six regions in '96, I believe it was, or '95 to three. We are continually looking at ways to improve. One of the challenges I mentioned in my direct
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	 '04. I don't know what the basis of those numbers are. With regards to the reductions in supervisory staff, I think I would suggest that, you know, our supervisory level is based upon permanent positions, the number of permanent positions we have in the organization and in the departments. And as you staff up or de-staff with terms and temporaries, you don't necessarily change the supervisory level or certainly not to the same degree. Q. But your permanent staff has come down, as we went through the analysis earlier, has come down significantly, from ninety seven three sixty six down to two ninety two. A. Right. Q. That hasn't simply been replaced with temporary staff. A. No, it hasn't, no. Q. No, so the thrust of the question is, is there not still an opportunity to look at the supervisory structures in your department. 	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	 or if there's an opportunity identified for improvements or efficiencies, we identify it, we evaluate it, we analyze it. If it's cost effective and doesn't impact on our service, safety or environment, we implement. Q. That answer is just one part though of the two-part components we looked at earlier. It's just when a position becomes vacant. Is there any ability or process in place to look at now restructuring the supervisory personnel? A. That opportunity is always there. Q. I appreciate it may alwayswell, if it's always there, my question is then what are you doing with it? A. Well again, we are - Q. Other than looking at individual vacancies? A. No, but we're continually looking at our structure, our organization. I mean, like I said before, in TRO, we went from six regions in '96, I believe it was, or '95 to three. We are continually looking at ways to improve.

Multi-PageTMNL Hydro's 2003 General Rate Application

Page 193	Page 194
1 try and improve productivity and become more	1 other positions that as the analyses are done
2 efficient. We're always doing that. I mean,	2 and opportunities identified, those
3 I take your point, but I don't know what else	3 opportunities will be taken and implemented,
4 to say except that we are continually doing	4 yes.
5 that. Every time we identify an opportunity	5 Q. Okay. Well, let's move on and have a look at
6 for improvement or efficiency gains, we grasp	6 a related question. Chair, this'll take more
7 it.	a related question. Chair, this if take horethan three or four minutes to develop. It's
 8 Q. Is there currently then ongoing a review of 9 supervisory structure or not? That's what I'm 	8 probably a good place to break, if you wish.9 CHAIRMAN:
10 trying to get a handle on.	10 Q. I would agree, if you don't mind. That'll be
11 A. I think the answer to that is yes. Do we	11 fine. Thank you very much. Now we'llMs.
12 spend every waking hour of every day doing	12 Richter, as I understand, will be coming on
13 that? No. I mean -	13 right after Mr. Martin. Is that correct, Ms.
14 Q. But if there is a review of supervisory	14 Greene?
15 structure ongoing then, is that towill that	15 GREENE, Q.C.:
16 review be completed and changes in supervisory	16 Q. Yes, that's correct, Mr. Chair. When Mr.
17 structure take place and will it be	17 Martin finishes, we plan to proceed next then
18 incorporated in 2004? That's what I'm trying	18 with Ms. Richter.
19 to understand.	19 CHAIRMAN:
20 A. I am quite confident that in this continuous	20 Q. I think there's been some discussion in
21 business process improvement initiative that	21 respect of Wednesday as not being a day off.
22 we are undertaking now and moving forward on	22 We'll just proceed on through, if thatrun
that there will be opportunities for savings,	23 through the Wednesday, is that correct?
24 and I am quite confident that they won't only	24 MS. NEWMAN:
25 be non-supervisory positions. There will be	25 Q. Yes, Chair, we have discussed that and I
Page 195	Page 196
1 understand that everybody is available to do	1 CERTIFICATE
2 that, if necessary.	2 I, Judy Moss Lauzon, do hereby certify that the
3 MR. FITZGERALD:	3 foregoing is a true and correct transcript in the matter
4 Q. Mr. Chairman, actually I wasn't aware of that.	4 of Newfoundland and Labrador Hydro's 2003 General Rate
5 I'm, in fact, not available on Wednesday. The	5 Application for Approval of, among other things, its
6 Consumer Advocate may be. I understood that,	6 rates commencing January 2004, heard on the 24th day of
7 yes, that she was going to be following, of	7 October, 2003 before the Board of Commissioners of Public
8 course, after Mr. Martin, but I didn't know it	8 Utilities, Prince Charles Building, St. John's,
9 was going to be consecutive.	9 Newfoundland and Labrador and was transcribed by me to
10 CHAIRMAN:	10 the best of my ability by means of a sound apparatus.
11 Q. I see. Anyway, I'll leave that for you to	11 Dated at St. John's, Newfoundland and Labrador
12 sort out.	12 this 24th day of October, A.C., 2003
13 MS. NEWMAN:	13 Judy Moss Lauzon
14 Q. We'll speak to you on Monday. How does that	
15 sound?	
16 CHAIRMAN:	
17 Q. Okay. That sounds good to me. Thank you very	
18 much, Mr. Martin, Mr. Kelly. We'll see you at	
19 9:00 on Monday morning.	

October 24, 2003