

In reference to Schedule “B”, page 25 of 82 – Distribution System Feeder Remote Control, project cost \$1,200,000:

Q. Please provide exact information as to how the operating costs will be eliminated as a result of these installations and provide the total operating costs eliminated in 2002 by the approximate 15 relays and 20 reclosers replaced, and how much further operating costs will be reduced in 2003 with the addition of the 30 new relays and 10 new reclosers.

A. The Company has not completed an analysis that specifically quantifies the reduction in operating cost of installing new relays and reclosers in 2002 or 2003. The installation of relays and reclosers will result in cost savings in a number of areas, including:

- Providing hold-off protection remotely, therefore eliminating the need for personnel to travel to substations. The ability to ensure hold-off protection (i.e. ensure an energized circuit which faults and opens does not automatically close) is central to safe work on energized electrical circuits.
- The automation of data gathering required in managing and maintaining the feeder system and other equipment.
- The ability to configure relays and reclosers remotely will reduce switching time for outages and improve response time in sectionalizing feeders to provide clearance during restoration.
- More accurate location of system fault will reduce the time it takes for personnel to identify the point of failure.
- The ability to dispatch personnel in the event of a power outage prior to receiving a customer call along with the ability to identify the point of failure faster reduces the impact of the outage on revenue.