

1 In reference to Schedule “B”, page 66 of 82 – Application Enhancements, project cost
2 \$766,000:

3
4 Q. In reference to Business Support Systems, please advise as to what discount
5 opportunities are presently in place with frequently used suppliers for the purpose
6 of analyzing discount opportunities. What does “improvements through credit card
7 work flow processes” mean.
8

9 A. Discount Opportunities

10 For many supplies and services, Newfoundland Power has standing contracts with
11 suppliers that do not guarantee specific levels of purchases, but which stipulate
12 negotiated prices and terms. These include contracts for:

- 13 • stationery products
- 14 • helicopter services
- 15 • car rentals
- 16 • travel services
- 17 • freight and courier services
- 18 • boom truck services
- 19 • surveying services
- 20 • pole mounted transformer supply
- 21 • distribution insulator supply.

22
23 Improved information regarding the frequency and volume of purchases from a given
24 supplier will enable the Company to negotiate volume discounts with that supplier.
25

26 Improved purchasing information would also increase internal awareness of purchasing
27 requirements and facilitate strategic coordination of purchases to achieve better pricing.
28

29 Credit Card Work Flow

30 Credit card statements for employee business expenses are currently completed, approved
31 and processed manually. Improvements in the work flow process will enable employees
32 to process their own statements on-line, reducing the requirement for manual intervention
33 and keying of data by administrative staff.