

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

**Q. In reference to Safety Management Systems Enhancements, please advise as to the number of employees responsible for this work. Once this responsibility has shifted to computerized management, what will happen to these jobs?**

A. The Safety Management System (SMS) is administered by the Corporate Safety section in cooperation with key administrators in each Company department; however, the SMS is used by supervisors to manage, schedule and track day-to-day safety related responsibilities and activities. All Occupational Health & Safety Committee members also use the SMS. There are currently 150 users of the SMS; however, there are no restrictions or limitations on the number of users, and this number changes from time to time.

The SMS allows users to schedule activities such as safety meetings, workplace inspections, and work safety observations. The SMS is also used to record accident /incident investigation information and to track required follow-up actions stemming from accident investigations.

The proposed expansion of the SMS will support planning and scheduling of activities in the area of occupational health and industrial hygiene such as noise studies, air quality assessments and employee audiometric testing records. The SMS will also contain a corporate database of hazardous products and material safety data sheets. These are currently managed using a manual system. Safety audit reports and information related to contractor safety (e.g. pre-approved contractor lists and pre-job meeting minutes) will also be recorded in the SMS.

Currently much of this information is stored in paper files and is fragmented. The proposed improvements to the SMS will reduce paper processes and enhance the accuracy and currency of safety information records, improving the ability of Company management and the Company’s Occupational Health & Safety Committees to meet statutory obligations under current occupational health & safety legislation.

It is not generally possible to draw a direct link between particular capital investments and a specific reduction in the Company’s workforce. Newfoundland Power’s workforce levels are managed on a corporate basis. Appropriate adjustments are made as service requirements evolve and as productivity improvements permit.

Improvements in productivity result from organizational restructuring, business process improvements and the introduction of technology that allow for the more productive allocation and utilization of Company resources. Productivity improvements enabled by these measures can result in the same number of employees being able to accomplish more, or in fewer employees being required to complete specific tasks. Where fewer

1 employees are required to complete a specific task, an employee or employees may be  
2 reassigned to other duties.

3  
4 Since 1992, the Company's workforce has decreased by approximately 33 per cent. The  
5 Company's investment in information technology has contributed to this workforce  
6 reduction.

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8 The quantification of achievable workforce reductions most often follows the  
9 implementation of productivity measures. Actual reductions are assessed on a corporate  
10 basis, as opposed to a project basis, in light of their possible impact on service levels.