

1 **In reference to Schedule “B”, page 65 (sic) of 82, Conservation and Environment (sic),**  
2 **project cost \$755,000:**

3  
4 **Q. Re: Microwave (sic) Great Plains Enterprise upgrade, \$ 205,000. Please explain**  
5 **why the consumers of the Province would pay for testing of a major upgrade to**  
6 **software. How is revenue generated from such testing?**

7  
8 A. Microsoft Great Plains eEnterprise is a purchased software application used to manage  
9 the financial, materials management and human resource aspects of Newfoundland  
10 Power’s business. This application is being upgraded to a more current version of the  
11 software.

12  
13 As vendors develop newer versions of software products, their support for older versions  
14 declines and ultimately disappears. It is therefore necessary to maintain reasonably  
15 current versions of installed software to ensure a sufficient level of support from vendors.

16  
17 Microsoft delivers a standard (or public) release of its business software to customers  
18 following completion of its own testing and quality assurance processes. The  
19 configuration of the Microsoft Great Plains application installed at Newfoundland Power  
20 is customized for the Company’s specific business requirements. To the extent that the  
21 software has been customized for particular requirements, it must be tested rigorously  
22 before it is installed into the production environment to guard against the possibility that  
23 an unanticipated problem with the software could compromise data integrity. This is an  
24 integral part of the change management process.

25  
26 While the efficient administration of Newfoundland Power’s human resource, materials  
27 management and financial affairs contributes to the cost-effective provision of electrical  
28 service to the Company’s customers, no portion of the capacity of Newfoundland  
29 Power’s business software is used for direct revenue generation from third parties.