

1 **Q. In reference to the project justification, please provide evidence of the repair and**
2 **maintenance schedule which led to the conclusion as found on page 82 of 82 that**
3 **“degradation of server performance can have a negative impact on employee**
4 **productivity, customer service and the integrity of stored computer data”. Please**
5 **provide the process to be employed for negotiating a price with a sole-source**
6 **supplier”.**

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8 A. Attachments A, B and C to the response to Request for Information CA-94 (d) contain
9 repair and maintenance records relative to the Company’s servers.

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11 In addition to maintenance experience, decisions on replacing servers or upgrading their
12 components may also be based on observed operational deficiencies. For example,
13 monitoring of the Customer Service System (CSS) sometimes indicates that nightly batch
14 processing of billings is encroaching on the required CSS on-line availability period of
15 8:00 a.m. to 8:00 p.m. In order to accommodate customer service requirements while
16 ensuring that the batch processing cycle is completed, decisions have to be made either to
17 modify the software to increase performance, or to upgrade the hardware. Given the
18 complexity of the CSS software and the level of testing required to ensure the quality of
19 any software modification, it is often more cost effective to upgrade the hardware.

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21 If a material or service is available from only one supplier, there are several strategies
22 available to ensure the Company obtains the most favourable price. Such considerations
23 as the volume and timing of purchases, and the willingness to provide testimonials
24 respecting product or service performance, may provide negotiating leverage in some
25 instances. In other cases, the Company may negotiate additional purchasing
26 requirements with the sole source supplier, in order to achieve a lower overall cost to the
27 Company.