

Throughout successive budgets Newfoundland Power has been granted approval for amounts to replace pin type and suspension insulators which have been tested defective or prone to failure due to manufacturing defects.

Q. Is this project now complete? What was the total cost?

A. The Company initiated a concentrated program in 1989 to replace defective insulators on transmission lines. During the 1990s, the Company also addressed defective insulators within substations.

In 1997, the Distribution Insulator Replacement program was initiated to address critical sections of feeders, such as those serving hospitals, as well as multi-circuit feeder trunks. This initiative was completed in 2000.

Table 1 below summarizes the amounts spent on formal distribution, substation and transmission insulator replacement programs from 1989 to 2000 inclusive.

Table 1 Amounts Spent on Formal Distribution, Substation And Transmission Insulator Replacement Programs 1989 to 2000 Inclusive (\$000s)	
Distribution	2,955
Substation	6,144
Transmission	6,911
Total	16,010

As part of its ongoing reliability improvement effort, the Company continues to replace insulators on remaining portions of the distribution system. Table 2 below summarizes amounts spent in 2001 and budgeted spending for 2002 and 2003 with respect to these on-going insulator replacement efforts.

Table 2 Amounts Spent on Ongoing Distribution Insulator Replacements 2001 to 2003F (\$000s)	
2001	276
2002 Capital Budget	742
2003 Capital Budget	568

1
2
3 In the 2003 Capital Budget, this work is provided for in the Rebuild Distribution Lines
4 project, as detailed in Schedule B, page 46 of 82, to the Application.

5
6 The Company will continue to replace distribution, substation and transmission insulators
7 as the need is identified.