1 Q. **PUB 22.0 NP** 2 3 Application Enhancements (Pooled), \$1,281,000, p. 53 of 65 4 Has NP undertaken a review of the Asset Management System with regard to 5 current performance, costs, and plans for the future? If so, please provide a report 6 to the Board. 7 8 The Company has not undertaken a review of the Asset Management System with regard A. 9 to current performance, costs, and plans for the future. 10 As stated in the report entitled *Information Technology Strategy* $2004 - 2008^{1}$, the 11 Company's IT investments will be focused on getting further value out of its existing 12 13 technology investments. 14 15 The Asset Management System, Avantis, was initially installed in June 2003 as part of 16 the two-year Facilities Management project that was approved by the Board as part of the 17 Company's 2002 and 2003 Capital Budget Applications. 18 19 Since the initial implementation of Avantis for the management of substation and power 20 plant equipment, the Company has looked for opportunities to enhance this application to 21 improve operating efficiency and service to customers. As such, the Company has 22 enhanced Avantis to include transmission line inspections, customer technical work 23 requests, and padmount distribution transformer inspections. To date, Avantis has been 24 effective in helping the Company manage its substation, power plant, and transmission 25 line assets. 26 27 In 2007, the Company plans to enhance Avantis for distribution assets and inspections. 28 Distribution inspections produce 1000 to 2000 work orders annually for follow-up work 29 such as replacing a rusty transformer, installing a guy wire or replacing a pole. 30 31 Extending Avantis to include distribution assets and inspections will result in more 32 efficient management of the Company's distribution system that includes over 300 33 feeders. 34 35 Going forward, the Company will continue to evaluate opportunities to enhance the Avantis Asset Management System to support improvements in customer service and 36 37 operating efficiency.

Filed with the Company's 2004 Capital Budget Application.