

1 **Q. Re: 20% reduction in the number of outages attributable to equipment failures and**
2 **also to scheduled maintenance, page 1-3, lines 19-23**

3
4 **Please confirm that the reduction in outages due to scheduled maintenance and**
5 **equipment failure has resulted in a reduction in the number of labour hours and**
6 **costs associated with restoration of service and quantify the savings. If not, please**
7 **explain why not.**

8
9 A. Not confirmed.

10
11 The overall operating cost and labour hours associated with restoration of service has not
12 been materially reduced as a result of the reduction in the number of customer outages
13 attributable to equipment failures or scheduled maintenance.

14
15 The annual operating costs associated with restoration of service for the 5 years ending in
16 2014 is provided in Table 1.

17
18

Table 1
Service Restoration Costs
2010 to 2014
(\$millions)

2010	1.7
2011	1.6
2012	1.5
2013	1.6
2014	1.6

19
20
21 The *Company Evidence, Section 3: Operations, Charts 3-1 and 3-2* shows the frequency
22 and duration of outages experienced by Newfoundland Power's customers. The cause of
23 these outages is not limited to equipment failure or scheduled maintenance. So, factors
24 such as wind conditions can materially affect the overall number of customer outages to
25 which the Company must respond.

26
27 Outages required to perform scheduled maintenance on the electrical system do not
28 require a customer's service to be *restored*. For this reason, the reduction in the number
29 of customer outages attributable to scheduled maintenance has no impact on the
30 Company's costs associated with the restoration of service.

1 Please refer to the response to Request for Information CA-NP-211 for more information
2 concerning the costs avoided by virtue of the reduction in the number of outages
3 attributable to equipment failures and scheduled maintenance.
4

5 Please refer to the response to Request for Information PUB-NP-009 for more
6 information concerning the managerial control Newfoundland Power exercises over its
7 overall labour costs.