

1 **Q. Further to the response to PUB-NP-003 which demonstrates the improvement in**  
2 **reliability since 1998 and the response to PUB-NP-019 on the current balancing of**  
3 **costs and reliability, is Newfoundland Power of the opinion, given the significant**  
4 **increases in rates anticipated arising from the Muskrat Falls Project and the**  
5 **forecast provincial economy, that the costs associated with continuing to improve**  
6 **reliability should be reviewed to determine if this strategy is appropriate in the**  
7 **current context?**

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9 A. Newfoundland Power is not currently seeking to *continue to improve* the overall  
10 reliability of its electrical system as this Request for Information appears to imply.

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12 Since 2009, the Company has consistently indicated that it views existing levels of  
13 overall reliability to be satisfactory.<sup>1</sup> Newfoundland Power's efforts are focused on  
14 *maintaining* the reliability experienced by customers. The Company is of the opinion  
15 that continuing to *maintain* the current level of reliability experienced by customers is  
16 appropriate, and that reducing reliability would be inconsistent with: (i) customers'  
17 service expectations; (ii) sound public utility practice; and (iii) Newfoundland Power's  
18 history of least-cost, reliable service delivery.

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20 For more information, please see response to Request for Information PUB-NP-073.

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<sup>1</sup> Newfoundland Power's 2010 General Rate Application was filed on May 28, 2009. In this application, the Company stated it considered then current levels of service reliability to be satisfactory (see Volume 1 (1<sup>st</sup> Revision), Section 2: Customer Operations, Page 2-8, Line 6). Similarly, the Company has characterized the performance of its electrical system as reliable in both its 2013/2014 General Rate Application (see Volume 1, Section 1: Introduction, Page 1-3, Line 10) and its 2016/2017 General Rate Application (see Volume 1 (1<sup>st</sup> Revision), Section 1: Introduction, Page 1-3, Line 11).