Q. On page 2 of the report, "*support risk*" is rated "*moderate*" and "*reliability and security risk*" is rated "*low-moderate*".

a) With respect to "*support risk*" EY states "*When we decompose CSS we find that each of the foundational technologies is supported by only one or two employees judged to have a high-level of proficiency (a total of four employees over five technologies). This level of support is lean but representative of how Newfoundland Power has supported its CSS for many years.*" Does this mean that "*support risk*" is no different than it has been for the past 30 years, and if NP implements a training program, "*support risk*" would be expected to be less than it has been for the past 30 years? Please explain.

b) In EY's opinion would it be more practical to replace the existing CSS than implement a training program? What is EY's estimate of the cost of such a training program?

c) Further on page 2 of the report, with respect to "*reliability and security risk*", EY states "*The system is stable, unplanned outages are infrequent, and there were no apparent security issues associated with the foundational technologies noted during our research or our interviews.*" Does EY expect reliability and security risk to increase and if so, please quantify your expectations in terms of probability of occurrence and impacts on customers.

A. a) No, EY is not making an assertion that Newfoundland Power's support risk is no different than it has been for the past 30 years. Over time, CSS has been modified and enhanced and has become more complex and unique to Newfoundland Power. As the CSS foundational technologies near and reach obsolescence, vendors are more likely to reduce or eliminate support and invest less. This will continue to increase the support and investment burden to Newfoundland Power. With a small team of specialized resources and projected decline in CSS support capacity (reference: PUB-NP-014, Figure 1), support risk will continue to increase.

As stated in the 2018 report, EY has observed in its experience that utilities that have this concentration of knowledge in a small number of employees, coupled with a high number of pending retirements and the inability to quickly train new employees on obsolete technologies as one of the key risks and reasons for considering a CIS replacement.

b) The two are not comparable as system replacement addresses all risk dimensions of the legacy CSS, while a training program mainly addresses one of the five risk dimensions, Newfoundland Power support capacity.

Reference EY's 2018 report for four other risk dimensions: vendor market share (moderate-high), vendor health (moderate-high), reliability and security (low-

moderate) and business enabling risk (moderate-high). Reference PUB-NP-021/PUB-NP-022 for additional assessment details on these risks.

Refer to CA-NP-172 for training program recommendation intent and viability. A training program would not be a practical measure to address the risks facing Newfoundland Power's legacy CSS.

Estimating the cost of a training program was not part of EY's scope.

c) Refer to PUB-NP-022 related to risk assessment and expected changes. Refer to CA-NP-177 related to quantification.