Q. Reference: "2021 Capital Budget Application," Newfoundland Power, July 9, 2020 Volume 1, Customer Service Continuity Plan at p. 13.

Newfoundland Power indicates 36% of current edge applications could be retired with the implementation of the new Customer Information System. Are the costs included in this budget to decommission these technologies? Are there any expected cost savings?

A. A total of 20, or 36%, of applications integrating with Newfoundland Power's existing Customer Service System provide functionality that is now standard within modern Customer Information Systems ("CIS").[1] These applications are therefore expected to be retired.

All applications expected to be retired were internally developed by Newfoundland Power. Given these applications were internally developed and the functionality is now standard within a modern CIS, there are no material costs associated with decommissioning these applications. All costs associated with configuring the new CIS to deliver equivalent functionality are included in the estimated project cost.

With respect to cost savings, there are no material operating costs associated with maintaining the edge applications to be retired. However, a reduction in the number of edge applications integrating with Newfoundland Power's customer service technology would streamline the Company's IT environment. This is expected to reduce the complexity and cost of future system upgrades.[2]

[1] The number of edge applications integrated with Newfoundland Power's Customer Service System is the direct result of the functional limitations of that system. As limitations arose over the last 27 years, the Company implemented edge applications to provide specific business functions. These applications, among other enhancements, permitted Newfoundland Power to extend the useful service life of its Customer Service System.

[2] Maintaining existing edge applications that provide functionality already existing within the new CIS would require customization of the CIS to integrate with these applications. This approach would increase the capital cost of this project, as well as the cost of future system upgrades.