

1 Q. **Reference: Application Volume 2, Hydro Command Center Upgrade (2022) – Hydro Place**

2 Is leasing a command center, and for that matter, a metering, billing and settlement system, a  
3 viable option? Was leasing considered?

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6 A. Newfoundland and Labrador Hydro's ("Hydro") Hydro Command Centre Upgrade project<sup>1</sup> is an  
7 investment in a software asset that Hydro previously purchased and maintains. The purpose of  
8 this upgrade is to extend the life of the current meter management solution until the PLX  
9 meters are fully replaced in future projects.

10 Hydro's PLX meter reading system communicates over Hydro's secure private network. Using a  
11 third party would result in additional network infrastructure investments to ensure a secure and  
12 reliable system. Therefore, leasing or Software as a Service<sup>2</sup> for this solution is not viable at this  
13 time.

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<sup>1</sup> "2022 Capital Budget Application," Newfoundland and Labrador Hydro, rev. September 17, 2021 (originally filed August 2, 2021), vol. II, sch. 6, pp. 45–48.

<sup>2</sup> Software as a Service is an industry term for using a third-party's systems/software instead of using your own on premise solution.