

1 **Reference: Section 2: Customer Operations**

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3 **Q. Volume 1, page 2-35, Footnote 79. \$91,000 of operating efficiencies in 2023 is due to**  
4 **the implementation of the new Customer Information System. Since the**  
5 **implementation of the new system is planned for 2023, will there be any further**  
6 **increase in operating efficiencies in 2024 and 2025 as a result of the new system**  
7 **being in operation for a full year? If yes, provide an estimate of the operating**  
8 **efficiencies expected during this period.**  
9

10 A. Newfoundland Power forecasts a reduction of approximately 2 full-time equivalent  
11 employees (“FTEs”) within its customer service function upon full implementation of the  
12 new Customer Information System. A reduction of approximately 1 FTE is associated  
13 with the forecast elimination of manual billing processes.<sup>1</sup> The second reduction of  
14 approximately 1 FTE is associated with a forecast reduction in the length of time to  
15 respond to customer enquiries.<sup>2</sup>  
16

17 Operating labour in the Customer Services function has been reduced by \$91,000 in 2023  
18 to reflect the decrease of 1 FTE. The second reduction of \$91,000 will occur in 2024  
19 when the system has been in operation for a full year.  
20

21 Labour efficiencies in the Customer Services function will offset a corresponding  
22 increase of 2 FTEs in the Information Systems function associated with support  
23 requirements for the replacement system. Operating labour in the Information Systems  
24 function has been increased by \$91,000 in 2023 to reflect the increase of 1 FTE. The  
25 second increase of \$91,000 will happen in 2024 when the system has been in operation  
26 for a full year.  
27

28 This is consistent with the Company’s objective of maintaining its overall operating  
29 efficiency upon implementing the replacement system.<sup>3</sup>  
30

31 In 2023, Newfoundland Power also forecasts higher computing equipment and software  
32 costs in the Information Systems function for the replacement system.<sup>4</sup> These costs are  
33 related to licensing requirements that are standard for commercial software products,  
34 which are not required for the existing 28-year-old system.  
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36 Newfoundland Power has developed a plan for assessing enhancements to its customer  
37 service delivery over time, including enhancements to maintain its overall operating

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1 Manual processes currently include billing of Net Metering customers and certain General Service customers as well as other data entry requirements.

2 Customer Services Representatives will have access to improved information and user interface to better address customers’ service issues.

3 See response to Request for Information CA-NP-075 filed in relation to Newfoundland Power’s *2021 Capital Budget Application*.

4 See the *2022/2023 General Rate Application, Volume 1, Application, Company Evidence and Exhibits, Section 2.4.1 Operating Costs*, page 2-36, footnote 80.

1 efficiency. For more information, see the *Customer Service Continuity Plan* filed with  
2 the Company's *2021 Capital Budget Application*.<sup>5</sup>

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<sup>5</sup> For information on these enhancements, see the *2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, Attachment B, Section 4.0 Enhancements to Customer Service Delivery*.