

1 Q. (Re: Response to CA-NLH-163) Please identify all programs along with their costs
2 since 2009 that Hydro has implemented, or proposes for implementation, to
3 improve, as opposed to maintain, reliability for customers. Please identify program
4 costs and expected reliability improvement. In Hydro's opinion, do the 8% of
5 customers who have indicated a willingness to pay for reliability improvements
6 justify rate increases related to reliability improvements?
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9 A. As indicated in Hydro's response to CA-NLH-018, the focus of Hydro's capital
10 program is on sustaining and renewing existing aging assets and on bringing new
11 assets into service to meet growing customer demand. The scope of each project is
12 justified on its contribution to safe, least cost and reliable power. In the past
13 number of years, Hydro has not determined expected reliability improvements for
14 each of its projects, on a project-by-project basis. Reliability improvements may be
15 only one aspect of the justification for a project and as a result Hydro does not
16 agree that it is justifying rate increases based solely on customer desire for
17 reliability improvement.