

---

1     **Q.     Project C-67: Replace Vehicles and Aerial Devices**

2             Has Hydro considered increasing its average kilometer replacement criteria (as  
3             depicted in Table 1 of Hydro's Report found at Volume II, Tab 29) to more closely  
4             align with the criteria of Utility #1 and Utility #2 (as depicted in Table 2 of Hydro's  
5             Report found at Volume II, Tab 29) and, if no, why would this not be appropriate?  
6

7  
8     **A.**     Hydro has considered increasing the kilometer replacement criteria to mirror that  
9             of other utilities but decided against it for the following reasons.

- 10             a.   Hydro does not replace vehicles solely on kilometers. Rather, Hydro  
11             reviews all planned replacements using age, kilometers, maintenance  
12             costs and overall condition. When a vehicle meets three of the four  
13             conditions, Hydro schedules it for replacement. Hydro also relocates  
14             high mileage vehicles to departments that typically are low mileage  
15             areas. For example, Hydro may move a vehicle from engineering to a  
16             remote diesel plant to extend the life by a few years.
- 17             b.   The other Atlantic utilities follow a replacement plan using two factors;  
18             age and mileage, where Hydro's replacement plan uses four factors; age,  
19             mileage, maintenance costs and condition.
- 20             c.   The majority of Hydro's fleet is used in rural areas where road conditions  
21             are less than ideal and there are very few repair facilities to maintain the  
22             vehicles. Hydro frequently has to bring vehicles from remote areas to  
23             major centers to have repairs completed because the local shops are not  
24             equipped to repair the newer technology vehicles. For example, in the  
25             past year Hydro has had to bring three vehicles from Labrador to St.  
26             John's to have repairs completed because there are no repair shops in  
27             the region trained to repair the vehicles.

- 
- 1 d. Failure to replace vehicles as outlined in Hydro's replacement criteria
- 2 would result in unreliable vehicles, increased down time for repairs and
- 3 potential oil spills caused by salt corrosion on oil pans and related parts.
- 4 e. Hydro's replacement criterion indicates Hydro look at replacing vehicles
- 5 at 150,000 kilometers; however, historically very few vehicles are
- 6 replaced with less than 170,000 kilometers:
- 7 i. In 2012, the vehicles replaced were on average 5.5 years old with
- 8 188,000 kilometers;
- 9 ii. In 2013, the vehicles replaced were on average 5.7 years old with
- 10 166,000 kilometers;
- 11 iii. In 2014, the vehicles replaced were on average 6 years old with
- 12 175,000 kilometers; and
- 13 iv. The vehicles planned for replacement in 2015 will be on average
- 14 5.9 years old with 174,000 kilometers.