

- 1 **Q. Reference: CA-NP-41: please provide the terms upon which NP contracts out its**
2 **cash services. Please indicate whether the contracting out of its cash services led to**
3 **any reduction in FTEs and operating expense.**
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- 5 A. On September 1, 2005, Newfoundland Power outsourced to Dominion Stores its cashier
6 services for the payment of electricity bills and closed its internal cashier services.
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- 8 Eleven Dominion Payment Centres were established; four in the St. John's area, and one
9 in each of Carbonear, Marystown, Clarenville, Gander, Grand Falls-Windsor, Corner
10 Brook and Stephenville. The Company closed a total of seven internal cash locations in
11 these communities.
- 12
- 13 The Company remits transaction fees to Dominion for the cash services. The fees were
14 set at 40 cents per transaction in 2005, and increased to 60 cents per transaction in June
15 2007.
- 16
- 17 The outsourcing of cash services has saved Newfoundland Power approximately
18 \$266,000 annually in operating costs. Further, it eliminated the requirement for a
19 \$350,000 to \$500,000 capital expenditure in 2006 for a new cash register system.
20
- 21 The project has eliminated a total of 6.1 FTEs in temporary labour.