

1 **Q. (response to CA-NP 65) "The Quality of Service Report clearly indicated to the**
2 **Board and Newfoundland Power that the Company should seek to improve its**
3 **reliability performance. In response to this, Newfoundland Power has undertaken a**
4 **number of initiatives to improve its reliability performance and associated**
5 **reporting." Please provide the program that NP has implemented in order to**
6 **address its poor reliability performance including schedule, milestones, reliability**
7 **targets and costs. When does NP believe that its reliability performance will be**
8 **acceptable and on what basis will performance be judged acceptable?**
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10 A. The initiatives are set out in the Company evidence filed in support of the 2008 General
11 Rate Application (under *Managing Reliability* at pp. 25 *et. seq.*), and include:

- 12 1. capital investment, including the Distribution Reliability Initiative (the "DRI");
- 13 14 2. improvement in maintenance programs; and
- 15 16 3. effectively responding to power outages anywhere in the Company's service
- 17 18 territory in a timely manner.
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20 Newfoundland Power believes that broad reliability performance across the electrical
21 system, as indicated in system reliability indices such as SAIDI and SAIFI, is currently
22 acceptable. However, instances of poorly performing assets currently exist and will
23 require action such as the DRI to improve specific asset reliability and, in turn, maintain
24 broader system reliability performance.

25 Maintenance of an acceptable level of electrical system reliability has both a local
26 dimension (i.e. specific assets) and a broader system dimension. The local dimension is
27 addressed (and will continue to be addressed) by engineered evaluation and assessment of
28 specific asset performance and adopting the least cost means of improving that
29 performance. The broader dimension is addressed (and will continue to be addressed) by
30 the implementation of broader cost effective maintenance practices for the electrical
31 system.
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