Q. (response to CA-NP 67) "Benchmarking comparisons are not used directly by Newfoundland Power in the development of its capital and operations and maintenance budgets principally because data of other utilities does not relate to the Newfoundland Power electrical system. However, engineering practices of which the Company does become aware (whether through benchmarking comparisons or otherwise) may influence the Company's practices and, indirectly, its budgets."

Please provide specific examples of how benchmarking has influenced the Company's practices and, indirectly, its budgets.

A. Through personnel contacts with other utilities, membership in industry organizations such as the Canadian Electricity Association, and informal issue-specific surveys Newfoundland Power has, from time to time, become aware of engineering practices, work methods and the applications of engineering standards that have influenced the Company's practices and, indirectly, its budgets.

Some specific examples of where the Company's knowledge of engineering practices, standards and work methods at other utilities has influenced the practices, standards and work methods at Newfoundland Power are:

 The adoption of predictive maintenance practices such as oil sampling and testing of substation transformers was influenced by the successes of other utilities with this technology.

• The decision to standardize on the use of polymer cut-outs was taken after the high failure rate of porcelain cut-outs experienced by Newfoundland Power was confirmed at other utilities.

• Varmint protection against rodents and birds on substation buses and distribution transformers was adopted based on the success of other utilities in preventing outages using varmint protection measures.

• The decision to standardize on the use of clamp-top distribution insulators was influenced by the success of other utilities, particularly Newfoundland and Labrador Hydro.

• Newfoundland Power learned from other utilities that KD-type transmission impedance relays were experiencing high failure rates. Accordingly, the Company assessed the condition of its KD-type relays and commenced a phase-out plan.

• The decision to discontinue the use of automatic sleeves was taken after the high failure rate of automatic sleeves experienced by Newfoundland Power was confirmed at other utilities.

- Based, in part, on feedback from other utilities regarding the high failure rate of silicon carbide gap lightning arrestors, the Company commenced a program to proactively replace these defective lightning arrestors.
- Information from other utilities that had experience with armless transmission line construction led to the use of insulators that enabled the Company to eliminate cross-arms on certain transmission structures.
- The decision to discontinue the use of aluminium hot-line clamps on main-line connections was taken after the high failure rate of these clamps experienced by Newfoundland Power was confirmed at other utilities.