

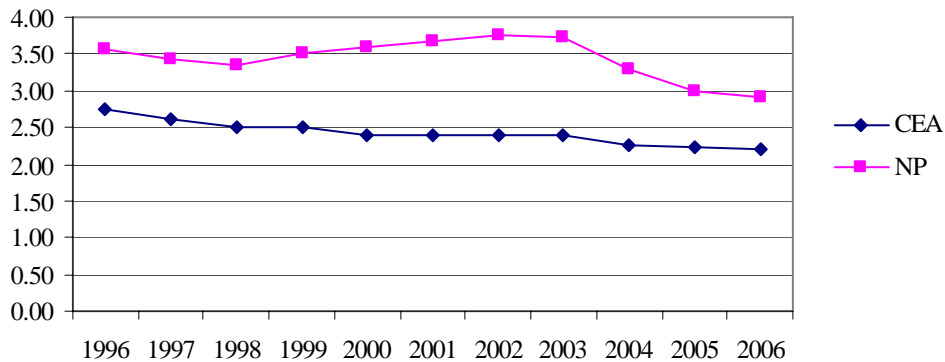
1 **Volume 1, Section 2 – Customer Operations**

2
3 **Q. (page 24) Please provide comparative reliability statistics, specifically SAIDI and**
4 **SAIFI, for other distribution companies in Canada. Are such benchmarking**
5 **comparisons used by NP in the development of its capital and operations and**
6 **maintenance budgets associated with reliability improvement?**

7
8 A. Reliability data for other Canadian utilities is provided on a composite basis in the
9 Canadian Electricity Association’s (“CEA”) annual *Service Continuity Report on*
10 *Distribution System Performance in Electrical Utilities*.

11
12 Graph 1 shows a comparison of the 5 year Canadian average annual frequency of outages
13 with that experienced by Newfoundland Power’s customers since 1996 expressed in
14 terms of SAIFI.¹
15

Graph 1
5 Year Average SAIFI

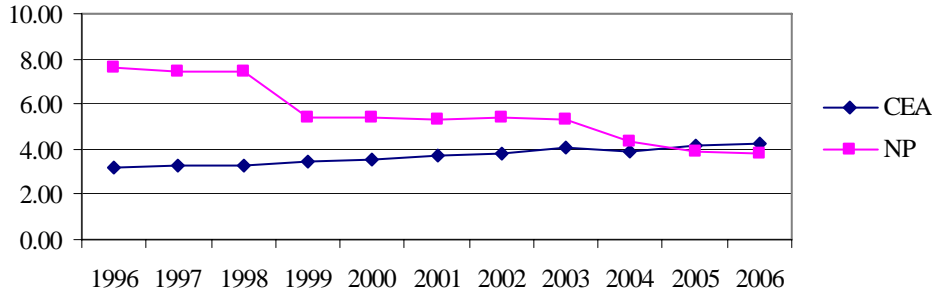


16

¹ SAIFI refers to System Average Interruption Frequency Index.

1 Graph 2 shows a comparison of the 5 year Canadian average annual duration of outages
 2 with that experienced by Newfoundland Power’s customers since 1996 expressed in
 3 terms of SAIDI.²
 4

Graph 2
5 Year Average SAIDI



5
 6
 7
 8 Newfoundland Power continues to show improvement in reducing both the frequency
 9 and duration of customer outages.

10
 11 In Order No. P.U. 19 (2003), the Board of Commissioners of Public Utilities ordered that
 12 Newfoundland Power file by March 31, 2004 a report suggesting a “peer group” of
 13 utilities and performance measures upon which to evaluate the Company’s performance.

14
 15 In compliance with this Board Order, since 2004 Newfoundland Power has filed an
 16 annual report titled *Peer Group Performance Measures for Newfoundland Power*. These
 17 reports compare Newfoundland Power’s performance, including reliability performance,
 18 against composite performance measures available from the CEA Committee on
 19 Corporate Performance and Productivity Evaluation.

20
 21 Benchmarking comparisons are not used directly by Newfoundland Power in the
 22 development of its capital and operations and maintenance budgets principally because
 23 data of other utilities does not relate to the Newfoundland Power electrical system.
 24 However, engineering practices of which the Company does become aware (whether
 25 through benchmarking comparisons or otherwise) may influence the Company’s
 26 practices and, indirectly, its budgets.

27
 28 See the response to CA-NP-311 for a copy of the report *2006 Peer Group Performance*
 29 *Measures for Newfoundland Power*. See also the response to CA-NP-313 and
 30 CA-NP-314.

² SAIDI refers to System Average Interruption Duration Index.