

1 NP-CA-7

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3 **Q. In relation to the performance of individual distribution feeders, does Mr.**
4 **Bowman propose that the reliability standard be a target for each distribution**
5 **feeder or would the reliability standard be a mandatory requirement that the**
6 **distribution feeder be upgraded or replaced if its performance fell below the**
7 **reliability standard?**

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9 **A.** Mr. Bowman recommends (page 38, lines 13 – 17 of his Pre-filed Evidence) that
10 development of the standard be a tri-party effort, led by Newfoundland Power with input
11 and review by Newfoundland and Labrador Hydro and the Consumer Advocate. He
12 believes the parties can develop a standard that enhances value to consumers while
13 reflecting the capabilities of Newfoundland Power and the realities of providing reliable
14 distribution service. Generally, Mr. Bowman prefers that reliability standards include
15 targets rather than mandatory requirements. Distribution system availability is very high,
16 averaging 99.95% in Canada during the 1998 – 2002 timeframe.³ Therefore, a single
17 event can significantly skew results. In addition, the performance of some feeders will be
18 considerably worse than the system average owing to timing, location and other factors.
19 Mr. Bowman believes that if performance drops below the target, the utility should be
20 required to explain why the target has not been met and propose corrective measures. If
21 the utility misses the target, yet believes that corrective measures are not necessary, it
22 should be required to explain why. In either case, the recommendation should be subject
23 to the Board's acceptance.
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³ NEB report entitled *A Compendium of Electric Reliability Frameworks Across Canada* (page 3) at website: http://www.neb.gc.ca/energy/EnergyReports/CompendiumElectricReliabilityCanada2004_e.pdf