Q. The response to PUB-NP-157 states "*The consistent application of Newfoundland Power's distribution planning activities and processes help to ensure its customers receive a cost-effective, uniform and high standard of electrical service throughout the Company's territory*". How does NP ensure a uniform standard of electrical service throughout its territory? Is it NP's goal to target equivalent levels of reliability (i.e., the same levels of SAIDI and SAIFI) to every customer it supplies? If not, what criteria are used to make trade-offs between "uniform" and "acceptably high" standard of service?

A. System reliability is largely a function of the condition of electrical system assets.[1]

Newfoundland Power's planning and design criteria and its construction standards are uniform and applied consistently throughout its service territory ensuring that the electrical system assets serving all customers are built to the same standard.

Newfoundland Power's inspection standards and maintenance criteria are uniform and applied consistently throughout its service territory ensuring that the all electrical system assets are maintained to the same standard.

This above combined with the geographic deployment of resources throughout Newfoundland Power's service territory ensures the condition of the electrical system assets is relatively consistent and provides for a uniform standard of electrical service throughout the service territory.

Newfoundland Power does not target equivalent levels of SAIDI and SAIFI for all customers. The condition of the Company's electrical system assets is relatively consistent across its service territory resulting in relatively equivalent reliability statistics when normalized on a unit of property basis. SAIDI and SAIFI provide a view of reliability normalized based on customer counts. The amount of plant required to serve customers varies throughout the service territory due to varying customer density. While electrical system assets are relatively equivalent across the service territory it is expected that there will be variations in SAIDI and SAIFI.

Building and maintaining the electrical system assets as outlined above has resulted in a continued improvement in reliability over time. Customer satisfaction surveys indicate that customers are generally satisfied with the current levels of reliability and electrical service.

Newfoundland Power continues to annually review reliability on its system to identify the worst performing feeders. The review looks at reliability trending over the past 5 years.

[1] This is a widely accepted engineering principle. It was recognized in, amongst other places, the 1991 *Report on the Technical Performance of Newfoundland Light & Power Co. Limited*, prepared by George Baker, P.Eng., for the Board.

Worsening trends prompt an engineering assessment. The assessment determines if any work, capital or otherwise, is required.