

1 Q: (Liberty December 17, 2014 Report to Board on *Supply Issues and Power*
2 *Outages Review Island Interconnected System* addressing Newfoundland Power
3 Inc.) The report states (page 23): “*The current gap between worst performing*
4 *and all feeders is 5.15 versus 1.9. Newfoundland Power does not consider this*
5 *gap sufficient to continue including worst performing feeders in its Distribution*
6 *Reliability Initiative. Liberty views the remaining gap as substantial enough to*
7 *warrant the common utility practice of a targeted funding program to address*
8 *that 10 to 15 percent of feeders exhibiting worst SAIDI and SAIFI performance*
9 *during the previous year, absent a showing that other expenditures on reliability*
10 *improvement are more cost effective*”. Please confirm that: 1) all distribution
11 companies have “worst performing feeders” that contribute to the overall
12 average; 2) the best performing feeders tend to be in urban areas where it is
13 less costly to improve reliability; and 3) the worst performing feeders tend to
14 be in rural areas where it is more costly to improve reliability. Further, was
15 Newfoundland Power asked if it has other expenditures on reliability
16 improvement that are more cost effective? If so, please provide the response.

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- 19 A. (1) Liberty acknowledges that not all company feeders perform equally and that
20 some therefore are worst performers by definition.
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- 22 (2) This statement is generally true, depending on the metric used to gauge
23 reliability, but its applicability to Newfoundland Power would require
24 confirmation from the company (note also that feeders in more densely
25 populated areas tend more commonly to be networked).
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- 27 (3) This statement is generally true, depending on the metric used to gauge
28 reliability, but its applicability to Newfoundland Power would require
29 confirmation from the company (note also that feeders in less densely
30 populated areas tend more commonly to be radial).
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- 32 (4) Liberty did not ask Newfoundland Power if other reliability expenditures
33 were more cost effective than addressing worst performing feeders because
34 Newfoundland Power does not calculate the value of its reliability projects in
35 terms of dollar cost per avoided customer interruptions or interruption
36 minute.