

1 **Q. Please advise whether, in Newfoundland Power's opinion, the execution of the**  
2 **following projects contribute to improved reliability performance for the feeders**  
3 **being worked on, as would be demonstrated in improved SAIDI, SAIFI, etc.? If not,**  
4 **why not?**

- 5  
6 a) **Reconstruction project;**  
7 b) **Rebuild Distribution Lines project;**  
8 c) **Trunk Feeders project (Feeder GFS-06); and**  
9 d) **Distribution Automation project.**

10  
11 **A. A. General**

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13 Newfoundland Power is of the opinion that execution of any capital project that  
14 contributes to maintaining the overall condition of the electrical system would contribute  
15 to maintaining the reliability of service delivered to customers.

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17 The Company confirms that the capital projects listed above would contribute to  
18 maintaining system condition and would therefore provide a reliability benefit to  
19 customers. However, while individual capital projects may provide a reliability benefit to  
20 customers, this reliability benefit is not necessarily the primary justification for a  
21 particular project.

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23 **B. Reliability-Related Capital Projects**

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25 For distribution capital expenditures, Newfoundland Power considers 2 projects to be  
26 primarily aimed at improving the reliability experienced by customers on particular  
27 feeders: (i) the *Distribution Reliability Initiative*; and (ii) *Rebuild Distribution Lines*.

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29 Under the *Distribution Reliability Initiative*, capital expenditures are targeted towards the  
30 Company's worst-performing feeders where customers experience significantly below-  
31 average reliability. Under the *Rebuild Distribution Lines* project, deficiencies identified  
32 through the Company's inspection program are addressed before they deteriorate to the  
33 point where customer outages result.

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35 In Newfoundland Power's opinion, improvements in the Company's overall reliability  
36 performance since 1998 are principally due to the *Rebuild Distribution Lines* capital  
37 project. Continued implementation of both the *Rebuild Distribution Lines* project and  
38 *Distribution Reliability Initiative* is consistent with maintaining an overall acceptable  
39 level of reliability for *all* customers.<sup>1</sup>

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<sup>1</sup> For information on Newfoundland Power's efforts to maintain system reliability, see response to Request for Information PUB-NP-001.

### C. Other Capital Projects

The other 3 capital projects listed above, specifically *Reconstruction*, *Trunk Feeders* and *Distribution Automation*, provide a reliability benefit to customers on particular feeders, but are primarily justified on other bases.

The *Reconstruction* project involves the replacement of deteriorated or damaged distribution structures and electrical equipment. This project comprises smaller unplanned projects that are identified through the inspection program or recognized during follow-up on operational problems, including customer trouble calls.<sup>2</sup> Items addressed in *Reconstruction* are typically items that have failed, are at imminent risk of failure, or present a safety hazard to employees and the public. This project is therefore primarily justified on the need to maintain safe and adequate facilities.<sup>3</sup>

The *Trunk Feeder* project consists of individual high priority projects that arise from preventive maintenance inspections or engineering reviews that are beyond the scope of other Distribution projects. In 2020, the GFS-06 Distribution Feeder Refurbishment *Trunk Feeder* project involves the refurbishment of deteriorated distribution structures and equipment.<sup>4</sup> This line has been damaged in recent years by storms.<sup>5</sup> Similar to *Reconstruction*, this project is also primarily justified on the need to maintain safe and adequate facilities.

The *Distribution Automation* project is a key component in ensuring the efficient delivery of reliable service to customers. This project is focused on the installation of downline reclosers in areas that will improve system resilience and the flexibility to respond to both major disruptions and local system events. This project is primarily justified on the need to ensure the most efficient operation of the electrical system in a manner consistent with reliable service delivery to customers.<sup>6</sup>

In Newfoundland Power's opinion, reliability improvements to customers on particular feeders is a reasonable benefit to expect from capital projects such as these, which aim to maintain overall electrical system condition.

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<sup>2</sup> Items from the Company's inspection program that are included in the *Reconstruction* project consist of high priority items that cannot wait until the next budget year's *Rebuild Distribution Lines* project to be completed.

<sup>3</sup> See Section 37(1) of the *Public Utilities Act*.

<sup>4</sup> This project involves rebuilding 20 km of deteriorated distribution line consisting of #2 ACSR conductor which is now considered substandard due to its poor operating characteristics in Newfoundland's climate. It also includes relocating 3 km of distribution structures from the Exploits River.

<sup>5</sup> For example, an ice storm in November 2013 caused significant damage to GFS-06, resulting in 1.7 million customer outage minutes to customers in Badger and surrounding area.

<sup>6</sup> See Section 3(b)(i) of the *Electrical Power Control Act, 1994*.