

1 **Q. (Reference Application) Please provide a summary of all benchmarking exercises**
2 **performed by Newfoundland Power relating to costs and performance that have been**
3 **incorporated in the 2022 Capital Budget Application. Specifically, please show how**
4 **Newfoundland Power spending and performance compare to a peer group and**
5 **provide relevant information on each peer included in the group.**
6

7 A. With respect to the *2022 Capital Budget Application*, the benchmarking exercises
8 performed by Newfoundland Power included both year-over-year comparisons of the
9 Company's costs and performance, as well as comparisons to other utilities. The
10 benchmarking exercises completed were:

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- 12 (i) A year-over-year comparison of Newfoundland Power's SAIDI and SAIFI over the
13 period 2001 to 2020.¹ The comparison shows a 13% reduction in the duration of
14 customer outages and a 21% reduction in the frequency of customer outages in
15 2020 compared to 2001.²
16
- 17 (ii) A comparison of Newfoundland Power's contribution to customer rates in 2000 and
18 2021. The comparison shows the Company's contribution to customer rates
19 decreased by 21% on an inflation-adjusted basis over this period.³
20
- 21 (iii) A comparison of Newfoundland Power's contribution to revenue requirement in
22 2014 and 2021. The comparison shows the Company's contribution to revenue
23 requirement decreased by approximately 2% on an inflation-adjusted basis over this
24 period.⁴
25
- 26 (iv) A comparison of customers' general satisfaction with Newfoundland Power's field
27 response over most recent 5 year period. The comparison shows customer
28 satisfaction was reasonably consistent over this period, averaging 92%.⁵
29
- 30 (v) A comparison of Newfoundland Power's SAIDI and SAIFI to that of other utilities
31 in Atlantic Canada over the period 2010 to 2019.⁶ The comparison shows that
32 customers of Newfoundland Power experienced approximately ½ the duration of
33 customer outages in comparison to customers of other Atlantic Canadian utilities.⁷

¹ The analysis of SAIDI and SAIFI related to normal operating conditions and did not include significant events.

² See the *2022 Capital Budget Application, 2022 Capital Plan*, pages 9 to 10.

³ See the *2022 Capital Budget Application, 2022 Capital Plan*, page 13.

⁴ See the *2022 Capital Budget Application, 2022 Capital Plan*, page 12.

⁵ See the *2022 Capital Budget Application, Report 7.3 – Workforce Management System Replacement*, page 4.

⁶ The analysis included the primary distributors of electricity in Atlantic Canada: Nova Scotia Power, New Brunswick Power and Maritime Electric. These utilities are members of the Canadian Electricity Association ("CEA") Region 2, meaning they serve a mix of customers living in urban and rural areas. Newfoundland Power is also a CEA Region 2 utility.

⁷ See the *2022 Capital Budget Application, 2022 Capital Plan*, page 15.

- 1 (vi) A comparison of changes in Newfoundland Power’s investment in Transmission
2 and Distribution (“T&D”) assets over the period 2010 to 2019.⁸ The comparison
3 shows Newfoundland Power’s investment in T&D assets increased at a rate 9% less
4 than the average of other Atlantic Canadian utilities over this period.⁹
5
- 6 (vii) A comparison of Newfoundland Power’s restoration times following customer
7 outages over the period 2015 to 2019. The comparison shows that Newfoundland
8 Power’s restoration time following customer outages was approximately 40% better
9 than the Canadian average.¹⁰

⁸ The analysis included the primary distributors of electricity in Atlantic Canada, as described on page 1.

⁹ See the *2022 Capital Budget Application, 2022 Capital Plan*, page 14.

¹⁰ See the *2022 Capital Budget Application, Report 7.3 – Workforce Management System Replacement*, page 3.