

1 **Q. (Reference Application, 2022 System Upgrades, Page 2) It is stated “Newfoundland**
2 **Power’s PI System was implemented in 2016.” It is further stated “The current PI**
3 **System will no longer be supported by the vendor as of December 31, 2021. Upgrading**
4 **the software in the first quarter of 2022 is required to ensure full vendor support**
5 **moving forward.” Is it typical with technology projects such as this that vendors stop**
6 **supporting their systems after only 5 years? What is the expected duration of vendor**
7 **support for the replacement software, and other software proposed in this**
8 **Application?**

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10 **A.** Yes, this is within the range of what is typically experienced in the industry. Gartner Inc.
11 indicates that vendors typically provide new versions of software every 1 or 2 years, with
12 major releases every 5 to 10 years.¹

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14 Vendors release newer versions of software to address identified performance or
15 cybersecurity issues or to provide new functionality. Software vendors often support
16 more than 1 version of their products, but discontinue support of older versions over time
17 as the technology evolves.²

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19 Newfoundland Power ensures vendor support is maintained for all critical business
20 applications. This includes the Company’s Supervisory Control and Data Acquisition
21 (“SCADA”) System and related PI Reporting System. Failure of these applications
22 would negatively impact the provision of safe and reliable service to customers at least
23 cost. Maintaining vendor support minimizes risks of application failure.

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25 In Newfoundland Power’s experience, software is expected to require upgrading every 3
26 to 4 years to maintain vendor support.³ However, the duration of vendor support varies
27 by application and can change over time. For example, the Company’s workforce
28 management system, Click, requires replacement commencing in 2022 because the
29 software was purchased by another vendor and subsequently discontinued.⁴ An upgrade
30 to the replacement system is expected to be required in 2026.⁵

¹ Gartner Inc. is a leading advisor in global information technologies. See *Managing a Portfolio of Applications Demands More than Application Portfolio Management*, published April 30, 2020.

² For example, Newfoundland Power’s Geographic Information System was last upgraded in 2018. The vendor provided a new version of this software since that time. However, vendor support of the 2018 version was maintained.

³ For example, Ernst and Young LLP estimates that the Company’s replacement Customer Information System will require upgrading after 3 to 4 years to maintain vendor support. See the *2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, Attachment A*, page 24.

⁴ See the *2022 Capital Budget Application, Report 7.3 Workforce Management System Replacement, Appendix A*, page 7, footnote 10.

⁵ See the *2022 Capital Budget Application, Report 7.3 Workforce Management System Replacement, Appendix A, Attachment A*, Table A-2, which includes a capital cost of \$500,000 in 2026 to upgrade the replacement system.