

1 **Q. (Reference CA-NP-053) Please provide what leasing options Newfoundland Power**  
2 **has explored in order to acquire the replacement workforce management system. Is**  
3 **Newfoundland Power familiar with the leasing practices of utilities elsewhere and the**  
4 **utilization of leasing as a cost controlling measure? If leasing has not been evaluated**  
5 **as an option, why not?**  
6

7 A. Newfoundland Power does not lease (i.e. outsource) its critical business applications,  
8 such as its workforce management system.<sup>1</sup>  
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10 Newfoundland Power's workforce management system is used in responding to  
11 approximately 34,000 customer requests for field work each year. It is essential to the  
12 Company's response to customer outages, particularly during significant electrical system  
13 events. The criticality of the system requires a high degree of system availability and  
14 performance. Leased applications can be unavailable for periods of time due to vendor  
15 maintenance and other issues. For example, a leased application would operate on  
16 vendor-provided hardware located off island.<sup>2</sup> Newfoundland Power would have reduced  
17 control over the availability of the software, including limited ability to troubleshoot  
18 hardware and software failures. Outsourcing this software through leasing arrangements  
19 is therefore not a viable option.

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<sup>1</sup> This is consistent with the Company's approach to replacing its Customer Service System. See response to Request for Information CA-NP-135.

<sup>2</sup> Newfoundland Power is not aware of any local software vendors that lease workforce management systems.