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- Q. (Reference NLH-NP-005, lines 28-38) Please provide the definition of what constitutes the company's worst performing feeders and how that is quantified and prioritized. Newfoundland Power does not consider the reliability of its distribution lines relative to a peer group as part of its distribution initiative. Why is that?
- 6 A. Newfoundland Power's worst performing feeders are identified based on an annual 7 review of 5 reliability metrics: (i) the System Average Interruption Duration Index; (ii) 8 the System Average Interruption Frequency Index; (iii) customer minutes of outage time; 9 (iv) Customer Hours of Interruption per Kilometre; and (v) Customers Interrupted per 10 Kilometre. These metrics are calculated annually to quantify the reliability performance of each distribution feeder. The worst performing feeders are defined as the 15 11 12 distribution feeders with the worst performance in each metric, based on the most recent 13 5-year average.¹ 14

Capital expenditures under the *Distribution Reliability Initiative* are prioritized based on engineering reviews. Once the worst performing feeders have been identified, the Company conducts a detailed review of outage data to determine if capital work should be considered. If the poor reliability performance is attributable to causes such as vehicle accidents, tree contact or weather events, capital expenditures are not proposed. If the poor reliability performance is attributable to factors that can be addressed through capital expenditures, such as equipment failures, a capital project may be proposed. For 2022, only 1 distribution feeder, BCV-04, was identified for inclusion in the *Distribution Reliability Initiative*.

The *Distribution Reliability Initiative* essentially aims to close the gap between Newfoundland Power's worst performing feeders and the average performance of all of its feeders. This approach is consistent with maintaining acceptable levels of service reliability for all customers. Comparisons to peer groups are not a relevant consideration. The approach used by Newfoundland Power to identify worst performing feeders is reasonably consistent with the approaches of other Canadian utilities.²

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¹ The data used in the determination is restricted to unscheduled distribution related outages with significant event data excluded.

See response to Request for Information ("RFI") PUB-NP-005 of the Company's 2016 Capital Budget Application. Attachment A to the RFI includes the working group whitepaper Worst Performing Feeders prepared by Canadian Electricity Association Analytics.