

1 **Q. Reference: Transcript, June 17, 2024, page 74, lines 8 to 15.**

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3 **Newfoundland Power to indicate if any other programs and fees are negotiated by**
4 **Fortis Inc. on behalf of Newfoundland Power and if these fees are independently**
5 **reviewed by Newfoundland Power to satisfy themselves that they are least cost.**
6

7 A. Newfoundland Power participates in vendor agreements negotiated by Fortis Inc.
8 (“Fortis”) when it is possible to achieve cost savings through volume discounts from
9 vendors on their products or services.

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11 Participation in the Fortis group insurance program is the Company’s most significant
12 cost which is negotiated by Fortis.¹ In addition to the insurance program, other vendor
13 agreements negotiated by Fortis include:

- 14
- 15 • The Microsoft Enterprise Agreement, which provides the Company access to the
16 latest versions of each software product purchased under this agreement.²
17
 - 18 • Minor software agreements, such as those related to cybersecurity management, audit
19 compliance, and corporate workflows.³
20

21 If Newfoundland Power were to procure these products or services independently, it
22 would be unable to avail of volume discounts. As such, Newfoundland Power is satisfied
23 that negotiating these agreements by Fortis results in lower costs associated with these
24 products and services.

¹ See the response to Undertaking U-03 for additional information regarding insurance premiums.

² See the response to Request for Information NLH-NP-037, Attachment A for further information regarding the Microsoft Enterprise Agreement.

³ The software costs associated with these agreements were less than \$0.1 million in 2023.