

1 **Undertaking Request (U-66)**

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3 *Transcript Reference: July 24, 2018, Pg. 131, line 13 to Pg. 133, line 21.*

4 Undertake to provide reports from the Innovation and Productivity team mentioned in the  
5 terms of reference.

6

7 **Undertaking Response**

8 Please refer to U-66, Attachment 1.

### **General Items:**

- Developed a Work Plan for the group to be incorporated with Financial Service's Plan – submitted and incorporated.
- Developed Execution Plan- Submitted for review and comment
- Developed Budget – Submitted for review and comment
- Developed templates for reporting and risk assessments – to be submitted March 5<sup>th</sup>.
- Developed a contact list for key stakeholders throughout the company, as well as the number of workers in each area and accommodation costs and locations to help during our site visits.
- Developed travel schedule for initial site visits and information sessions

### **Initiative Status:**

#### ***Future reports to indicate status and separate out new initiatives added(Table format)***

- Transmission and Distribution;
  - Improving Field Productivity: high-level benefit analysis of an opportunity he brought forward involving how we schedule our field crews. Initial analysis indicates this warrants more detailed investigation as there appears to be potential for productivity improvements (improved "wrench time").. **Next Steps:** meet with T&D Engineering to determine if the productivity improvements will result in cost-savings from reduced reliance on contractors; discuss the opportunity with field workers during our initial site visits.
  - Monthly Readings: discussions with Mike Churchill, Dave Hicks, Billy Loveless on how monthly readings are completed on high voltage equipment and created a spread sheet to capture potential savings and productivity. **Next Steps:** Follow up with Mike Churchill on start of execution.
- PPC(Personal Protective Clothing);

Discussions with Jim Peyton, Brian Lannon, Madonna Pelley, Jill Kelly and Michelle Edmunds on potential savings on how PPC is distributed, requirements related to policy, as well as capturing P-card use for PPC. **Next Steps:** Create an internal briefing note on this item summarizing the current state, the issues, and recommendations to improve the situation, and where appropriate get sign off from key stakeholders on the recommendations
- Training and Conferences;

Discussions with Brian Lannon and Mark Thorne on the training & conferences initiative. Using in house trainers where appropriate rather than contracting trainers to come in and certify our employees on mandatory training and keeping training records up to date. **Next Steps:** Identify training requirements for Hydro and courses potentially taught internally.

- Environment Work Plan Innovation Initiative - Reduce Lab Costs: Discussions with Rod Healey (Mgr Environment Operations) to better understand their departmental innovation initiatives for 2018. **Next Steps:** Environment to go out to stakeholders who utilize lab services. Innovation and Productivity Team to follow up at the end of March.
- Corporate Communication Devices Initiatives: Discussions with Shane LaCour (Mgr Network Services) to discuss some of his ideas for more cost-effective approaches to corporate communications (cell phones, desk phones, VHF, Sat. phones, etc.). Several ideas worthy of more detailed follow-up. Shane committed to keeping our group in the loop as he investigates some of the opportunities. **Next Steps:** Confirm baseline costs for all forms of communication within Hydro.
- IOT: Discussions with Tony Lye on initiatives within his group. Two initiatives that relate to maintenance management and equipment replacement are underway and will yield approx. \$1M savings this year and going forward will provide a sustainable annual savings of approximately \$400k. **Next Steps:** More detailed information to be provided on these items to accurately track savings.
- Travel Related: Jill Fitzgerald is gathering information on Travel credits including total values of travel credits issued over the past 3 years and what credits had expired. Travel policy was reviewed for travel credits and will be revisited once the other items noted for travel have been investigated further. **Next Steps:** Investigate approval of travel, review approved hotels and applicable rates, review costs of using travel agent and functions provided, Capture costs of video conferencing, and teleconference for travel. Potential to tender for rental vehicles to capture savings rather than going to one rental business because it is “familiar”.
- Transportation- Fleet Utilization: Information being gathered on fleet utilization. List off staff using vehicles, their roles. Inconsistency in how vehicles are assigned. Transportation Fleet Utilization slide deck received from Darren Moore. **Next Steps:** Working with Jeff Hiscock to ensure lists are accurate and complete. Guidelines and any existing policies are to be reviewed along with Collective agreements.
- Various Initiatives: There have been several items identified that are potential cost saving initiatives that are being further developed. These include:
  - Utilization of High Angle Rescue Team at Holyrood in other areas
  - Utilization of cooking services and remote accommodations.
  - Review of warehousing and inventory control(further investigations to be completed during and after initial site visits to the different locations)

**Upcoming Travel:**

- Local Travel ( Holyrood, Whitbourne) to be completed week of March 19<sup>th</sup>.
- Cross island initial site visits starting March 26<sup>th</sup>.

**Financial Update:**

- No update at this time. Future updates to include approved budget and actuals to date.

**Issues/Concerns:**

- No issues or concerns at this time

Initiative	Work completed to date	Next Steps	Potential Annualized Savings
<b>Corporate Communication Devices (includes Cell Phones)</b>	Reviewed information from OIT and background information provided from Initiative Folder and worked on estimates of potential annualized savings from info received to date.	Finalize savings estimate and confirm assumptions with stakeholders.	To date: ~\$400k annually (more savings expected once all data has been analyzed)
<b>Transportation- Fleet Utilization</b>	Data collected on this initiative to date is current fleet listing, taxable benefit, maintenance costs, fuel usage.	Complete full analysis of data	~\$300k + annually More once all data has been analyzed
<b>Overtime</b>	Reviewed Overtime Presentation and supporting data.	Meeting with Michelle Edmunds on March 16 <sup>th</sup> to discuss gaining access to overtime raw data for 2017 and to date for 2018. Including discussions on collective agreement.	To be determined.
<b>Conferences and Training</b>	Contacted Brian Lannon, Jim Peyton, Mark Thorne, Rod Healey, Annette Poole, Carol Anne Lutz, Michael Manuel and Tony Lye regarding training. Received a list of all the in house trainers and the courses they certify our employees in. Currently gathering all the training schedules for all areas of the company for 2017 and what is scheduled for 2018. Gathered training budget spent in 2017 and planned 2018	Start a list of all the training we do in house and all the training we contract out in all areas so we can see if there are better ways to combine areas. Confirm how training is approved. Find out how we currently ensure optimization of the training budget.	<b>To be determined</b>

	budget. Reviewing the company policy on training and the request form.		
<b>Travel</b>	Travel credits have been identified. Reviewing current travel services contract and related travel agreements with different airlines	Gather report from Travel agency based on what was in their contract and analyse the data for savings opportunities. Cross reference other contracts we have to see where the better savings are found.	To date : ~ \$30k annual savings on travel credit usages
<b>Postage -E-Billing</b>	Reached out to customer service on conversion targets for E-billing and current rates	Continually track captured conversions.	~\$71K annual savings

**New Initiative Status:**

<b>New Initiative</b>	<b>Work completed to date</b>	<b>Next Steps</b>	<b>Potential Annualized Savings</b>
<b>IT Opportunities</b>	JP met with Danny Greenland to gather IT opportunities within Hydro. Because of current arrangement with Admin fees, many of the ideas would improve Nalcor's IT processes but Hydro would benefit from 50% of the savings.	Preform preliminary investigation into Daniel's ideas to gauge their potential.	To be determined.
<b>Freight</b>	Held preliminary meeting to discuss opportunities with Freight within the company with Paula Krats and Ashley Billard	Formal assignment of initiative to be given from Sonya to Ashley. Once assigned, set up weekly meetings with Ashley to help him identify where the savings can be found, develop and execute a plan and timeframe.	To be determined.
<b>PPC</b>	Received list of	Review work methods	Savings to be

	<p>purchases made in 2017 under commodity code from Madonna Pelley. Received list of clothing contracts and P card spend listing to try and capture all safety clothing costs.</p>	<p>and go out to each region to get listing of employees who perform those tasks in their daily routine. Cross reference the PPC used for those work tasks against the employee and build a data base for future clothing supply to ensure people are getting what they require. Collective agreement will be reviewed with Michelle Edmunds on Friday regarding this topic.</p>	<p>determined and will be based on people receiving what they require not what they want. Current ly we are paying a premium for FR gear that is only required by specific groups but is being widely distributed.</p>
<p><b>Improving Field Productivity</b></p>	<p>JP and JR met with Mike Zaichowski to gather ideas for improvement related to transmission and distribution. Also used the meeting to better understand how Transmission work flows to assist with the Improved Field Productivity Initiative</p>	<p>Speak with TRO Work Execution Managers to understand how they decide what can be handled by internal forces, and what has to go to contractors. Perform preliminary investigation into Mike's ideas to gauge their potential.</p>	<p>To be determined</p>
<p><b>Monthly Readings</b></p>	<p>Information gathered from the weekly work plans from 2017 to show cost/hours for line workers to do monthly readings on high voltage equipment per month and per year. Currently Distribution Techs being trained to take readings off high voltage equipment by end of Q1 and start taking readings by end of Q2</p>	<p>Information to be received from David Hicks on how Distribution Techs will do monthly readings. Require numbers for how many Distribution Techs are traveling together, what equipment is involved and how many hours it will take them to complete. Compare these numbers to the ones</p>	<p>To be determined</p>

		completed based on line workers completing the readings to show any cost/productivity savings.	
<b>ERT Services</b>	Met with Mike manual and Ron Ledrew to discuss opportunities to utilize ERT group for other areas of the company. Gathering information on past and current year contracts for like services for cost comparison.	Continue to review data and make cost comparisons to evaluate feasibility of utilizing Holyrood ERT for other areas of the company.	To be determined.
<b>Capital Contingency Control and Reduction</b>	Preliminary meeting held with JP and Kyle Tucker to discuss feasibility of separating contingency out.	Meet with Engineering Services	To be determined.

**General Updates:**

<b>Update</b>	<b>Comment</b>
<b>Addition of Grid page for Innovation and productivity group</b>	<b>Write access will be for John Poole and Janine McCarthy. This page will allow employees to see progress, travel dates for the group, new initiatives, success stories, contact information, presentation material, etc.</b>
<b>Communications Plan</b>	<b>Received Communication drafts for group messaging. Final to be provided by end of week.</b>

• **Notes:**

- Met with Bob Moulton to gather ideas for improvements from System Planning perspective. Many ideas overlapped with opportunities already identified; however, the discussion was good info as System Planning is identified as a stakeholder in several of the opportunities currently being investigated.
- Innovation & Productivity Information Sessions: Working with Managers throughout Hydro to book their people into Innovation and Productivity kick-off sessions.
  - Sessions booked for BDE and Exploits for week of March 19<sup>th</sup>
  - Sessions booked for HVGB for week of April 16<sup>th</sup>



- Kick-Off Session booked with Innovation Champions (from LEAN training) March 23

**Upcoming Travel:**

Purpose of Travel	Date	Location	Number of days	Employee(s) Travelling
Information Sessions	March 19-21, 2018	Bay D'Espoir , Exploits, and TRO	3	JR, JP, LK
Information Sessions	March 26, 2018 Pending	TRO	3	LK, JP, JR
Information Sessions	Week of April 2, 2018	Holyrood	1	JP, JR, LK, AMK
Information Sessions	Week of April 2, 2018	Whitbourne	1	JP, JR, LK, AMK
Information Sessions	April 15-17, 2018	Happy Valley-Goose Bay	3	AMK, JR

\*More Travel to be booked for West Coast

**Financial Updates:**

Cost Type	Description	Budgeted Cost	Actuals to Date
6010	Salaries	\$671,500	
6105	Materials	\$5,000	
6505	Travel	\$53,450	
6264	Consultants	\$25,000	
6605	Training	\$28,290	
6840	Vehicle Rental	\$3,236	
6820	Fuel	\$6,000	
6725	Safety Equipment	\$500	
	<b>Total</b>		<b>\$30,815</b>

\*\*\* At this point there is little to break out into cost type.

**Issues and Concerns:**

- Resources available to the group with the implementation of JDE.
- Business Analyst shortage within the groups who are able to manipulate the data.

**Completion Target and Status:**

<b>Target</b>	<b>Expected Completion Date</b>	<b>Status</b>
<b>Execution Plan</b>	<b>March 9,2018</b>	<b>Complete</b>
<b>Team Operating Budget</b>	<b>March 9, 2018</b>	<b>Complete</b>
<b>Communications Plan</b>	<b>March 16, 2018</b>	<b>Underway</b>
<b>2 year Innovation Work Plan</b>	<b>June 30,2018</b>	<b>Underway</b>

**Innovation and Productivity Team Bi-weekly Report - Week Ending- April 13, 2018**

<b>Initiative</b>	<b>Work completed to date</b>	<b>Next Steps</b>	<b>Potential Annualized Savings</b>
<b>IT/OT (100% Hydro charged)</b>	<p>Potential savings calculated for the following:</p> <ul style="list-style-type: none"> <li>• Communication : optimize approach to communication (Cell Phs, Desk Phs, Sat Phs, VHF, Voice Conferencing)</li> <li>• IT Devices: Extend replacement lifecycle, and use most appropriate device for staff based on use Laptops/Desktops to using 'thin-clients' (Citrix Boxes).</li> <li>• ECC Upgrades: Annualized capital savings from reducing scope of planned projects.</li> </ul>	Other improvements regarding capital projects to be captured as well as cell phone policy development.	~ \$1.2M
<b>Transportation- Fleet Utilization</b>	Continued analysis of Transportation data including online vehicle registration savings . Working on development of Fleet vehicle policy. Requested list of employees who have vehicles as part of their compensation.	Look into having an assigned P Card with a set limit to cover all on line registrations. Once data received on compensation and manager levels (from Ron LeBlanc), draft policy will be completed.	~\$270k + annually (plus additional immediate cost savings of \$190 K )
<b>Overtime</b>	Compared supervisor data vs line crew data for overtime to see what trends lie in data..	Discussions need to be held with Ron LeBlanc on what levels of supervision are required in the field.	To be determined
<b>Conferences and Training</b>	Gathered training budget spent in 2017 and planned 2018 budget.	Improve approval process with removal of approval level	<b>To be determined</b>

	<p>Reviewing the company policy on training and the request form.</p> <p>Started to compile all the training we do in house and all the training we contract out in all areas so we can see if there are better ways to combine areas.</p>	<p>above manager as it has already been preapproved at VP Level.</p>	
<b>Travel</b>	<p>Travel credits have been identified. Request for Expression of Interest for Travel Services completed and will be tendered once reviewed by Supply Chain.</p>	<p>Continue to monitor monthly travel credit report and notify people of outstanding travel credits to be utilized. Tender Request for Expression of Interest.</p>	<p>To date : ~ \$46k annual savings on travel credit usages</p>
<b>Postage -E-Billing</b>	<p>Reached out to customer service on conversion targets for E-billing and currant rates</p>	<p>Continually track captured conversions.</p>	<p>~\$71K annual savings Will increase with conversions.</p>

**New Initiative Status:**

<b>New Initiative</b>	<b>Work completed to date</b>	<b>Next Steps</b>	<b>Potential Annualized Savings</b>
<b>IT Opportunities</b>	<p>Information session arranged with IT section to share waste presentation and see what opportunities lie within their group.</p>	<p>Meeting to be held on April 19<sup>th</sup>.</p>	<p>To be determined.</p>
<b>Freight</b>	<p>Freight information requested from Finance. Meetings set up with Ashley Billard to discuss next steps.</p>	<p>Once meeting held with Ashley, action items with execution dates to be identified.</p>	<p>To be determined.</p>
<b>PPC</b>	<p>Created a list of all Work Methods found on database and associated PPC. Requested from each</p>	<p>As received, cross reference the PPC used for those work tasks against the employee and build a data base</p>	<p>Savings to be determined</p>

	area a list of employees who perform the work methods as part of their duties.	for future clothing supply to ensure people are getting what they require. Collective agreement will require wording changes.	
<b>Improving Field Productivity</b>	No Change	No Change	To be determined
<b>Monthly Readings</b>	Cost savings completed on potential fuel savings based on distribution techs completing readings compared to current method of using line crews.	Next steps is to follow up TRO upon completion of Regulator and Recloser training on May 14 <sup>th</sup> and track productivity.	~\$27,000 in fuel savings
<b>ERT Services</b>	Met with Mike manual and Ron Ledrew to discuss opportunities to utilize ERT group for other areas of the company. Gathering information on past and current year contracts for like services for cost comparison.	Continue to review data and make cost comparisons to evaluate feasibility of utilizing Holyrood ERT for other areas of the company. Awaiting information from Mike Manual on use utilization of staff in his area.	To be determined.
<b>PPE</b>	Reviewed all charges to code 625 for 2017	Closer auditing of allowances through review of timesheets yearly for the month of April	~\$6700 +/-annually
<b>Consumables</b>	Contacted Greg Hamlyn in Exploits to discuss Vending Machine.	Once received, review monthly reports and invoices from vending machines to see how it manages consumables and compare other areas for application	To be determined
<b>Cooking Services and Accommodations</b>	Reviewed cooking and accommodations including closer scrutiny of grocery purchase, cooking service, better utilization of accommodations.	Monitor cooking expenditures and set schedule and menu for upcoming year.	~\$35,000 +
<b>Substitution Pay</b>	Requested information	Further investigation	To be Determined.

	from Donna Brophy on who charged to 421 and 422. Reviewed data for consistent input of rates.	required.	
<b>EFT</b>	Requested conversions in 2017 from cheque to EFT	Follow up with Eric White	~19K
<b>Capital Contingency Control and Reduction</b>	No Change	Meeting to be held with Engineering Services	To be determined.

**General Updates:**

<b>Update</b>	<b>Comment</b>
<b>Grid page for Innovation and productivity group</b>	<p><b>John Poole working on formatting of Grid page. Page to include:</b></p> <ul style="list-style-type: none"> <li>○ Submission forms for ideas</li> <li>○ Success stories</li> <li>○ Quick polls</li> <li>○ Information provided in sessions</li> <li>○ Articles on innovation and productivity</li> <li>○ Links to useful information related to ideas on innovation and productivity</li> <li>○ Contact information on the group</li> </ul>
<b>Communications Plan</b>	<b>Update meeting with Communications to be held on May 15<sup>th</sup> to discuss information sharing going forward.</b>

**Upcoming Travel:**

Purpose of Travel	Date	Location	Number of days	Employee(s) Travelling
Information Sessions	April 15-17, 2018	Happy Valley-Goose Bay	3	AMK, JR
Information Sessions	Week of April 30, 2018	Whitbourne	1	JP, JR, LK, AMK
Information Sessions	Week of April 6 <sup>th</sup> and 13 <sup>th</sup>	Sessions held in Hydro Place- 3 with finance, 1 with supply chain, 4 with Engineering services		
Information Sessions	Week of May 8 <sup>th</sup>	Deer Lake, Springdale and Stephenville	3	JP, JR

\*Deer Lake, Stephenville and Springdale to be coordinated with Safety week (week of May 8<sup>th</sup>).

**Financial Updates:**

Cost Type	Description	Budgeted Cost	Actuals to Date
6010	Salaries	\$671,500	
6105	Materials	\$5,000	
6505	Travel	\$53,450	
6264	Consultants	\$25,000	
6605	Training	\$28,290	
6840	Vehicle Rental	\$3,236	
6820	Fuel	\$6,000	
6725	Safety Equipment	\$500	
	<b>Total</b>		<b>\$87,750</b>

\*\*\* At this point there is little to break out into cost type.

**Issues and Concerns:**

- Availability of data required for some initiatives to allow for more accurate indication of savings.

**Completion Target and Status:**

Target	Expected Completion Date	Status
2 year Innovation Work Plan	June 30, 2018	Underway

**Innovation and Productivity Team Bi-weekly Report - Week Ending- April 27, 2018**

<b>Initiative</b>	<b>Work completed to date</b>	<b>Next Steps</b>	<b>Potential Annualized Savings</b>
<b>IT/OT (100% Hydro charged)</b>	<ul style="list-style-type: none"> <li>No Change from Last update</li> </ul>	Other improvements regarding capital projects to be captured as well as cell phone policy development	~ \$1.2M potential
<b>Transportation- Fleet Utilization</b>	Draft policy completed and sent to Ron LeBlanc for comments	Incorporate any comments and implement new policy with communication plan and plan for follow up audit.	~\$270k + annually (plus additional immediate cost savings of \$190 K )
<b>Overtime</b>	Compared supervisor data vs line crew data for overtime to see what trends are seen in data.	Discussions need to be held with Ron LeBlanc on what levels of supervision are required in the field. More analysis required.	To be determined
<b>Conferences and Training</b>	Discussed with Human resources on approval process	Next steps to discuss with Executive on approval of change to process.	<b>To be determined</b>
<b>Travel</b>	Request for Expression of Interest for Travel Services under review by Supply chain and will be tendered once review and revisions complete.	Continue to monitor monthly travel credit report and notify people of outstanding travel credits to be utilized. Tender Request for Expression of Interest.	To date : ~ \$46k annual savings on travel credit usages
<b>Postage -E-Billing</b>	Reached out to customer service on conversion targets for E-billing and current rates	Continually track captured conversions.	~\$71K annual savings Will increase with conversions.



**New Initiative Status:**

<b>New Initiative</b>	<b>Work completed to date</b>	<b>Next Steps</b>	<b>Potential Annualized Savings</b>
<b>IT Opportunities</b>	Information session held with IT Group.	IT Group to have a brain storming session within their own group to identify opportunities	To be determined.
<b>Freight</b>	Freight information gathered and is being reviewed By Ashley Billard	Meeting arranged to discuss findings from sample of invoices gathered along.	To be determined.
<b>PPC</b>	Began cross referencing staff against PPC associated with the work methods they complete as part of their duties.	Continue to input information as it is received. Provide list of employees and list of required PPC to each area and master list to Madonna Pelley.	Savings to be determined
<b>Improving Field Productivity</b>	No Change	No Change	To be determined
<b>Monthly Readings</b>	No Change	Next steps is to follow up TRO upon completion of Regulator and Recloser training on May 14 <sup>th</sup> and track productivity.	~\$27,000 in fuel savings
<b>ERT Services</b>	Reviewed data and made some cost comparisons to evaluate feasibility of utilizing Holyrood ERT for other areas of the company for confined space rescue.	Awaiting information from Mike Manual on use utilization of staff in his area.	To be determined.
<b>PPE</b>	Reviewed all charges to code 625 for 2018	Still some staff charging to this code at Hay 12, need to confirm their eligibility with Michelle Edmunds	~\$6700 +/-annually
<b>Consumables</b>	Reviewing monthly reports and invoices from vending machine in Exploits	Once received, review monthly reports and invoices from vending machines to see how it manages consumables	To be determined

		and compare other areas for application	
<b>Cooking Services and Accommodations</b>	Reviewed cooking and accommodations including closer scrutiny of grocery purchase, cooking service, better utilization of accommodations.	Monitor cooking expenditures and set schedule and menu for upcoming year.	~\$35,000 +
<b>Substitution Pay</b>	Data reviewed on entries into 421 and 422.	More review required. Arrange discussion with payroll on opportunities for improvement.	To be Determined.
<b>EFT</b>	Requested conversions in 2017 from cheque to EFT	Follow up with Eric White	~19K
<b>Capital Contingency Control and Reduction</b>	No Change	Meeting to be held with Engineering Services	To be determined.

**General Updates:**

<b>Update</b>	<b>Comment</b>
<b>Grid page for Innovation and productivity group to be up and running by May 4<sup>th</sup>.</b>	<b>Page to include:</b> <ul style="list-style-type: none"> <li>○ Submission forms for ideas</li> <li>○ Success stories</li> <li>○ Quick polls</li> <li>○ Information provided in sessions</li> <li>○ Articles on innovation and productivity</li> <li>○ Links to useful information related to ideas on innovation and productivity</li> <li>○ Contact information on the group</li> </ul>
<b>Update meeting with Communications to be held on May 15<sup>th</sup> to discuss information sharing going forward.</b>	<b>No change from last report</b>
<b>Grouping all submissions to help build the 2019 work plan</b>	<b>Further investigations on feasibility to be completed once groupings completed.</b>

**Upcoming Travel:**

Purpose of Travel	Date	Location	Number of days	Employee(s) Travelling
Information sessions	Week of April 27th	Hydro Place- 2 Sessions Engineering Services	2	0
Information Sessions	Week of April 30th	Whitbourne	1	JP,AMK
Information Sessions	Week of May 8th	Deer Lake, Springdale and Stephenville	3	JP, JR
Information Sessions	May 10th	Wabush	1	AMK

\*Deer Lake, Stephenville, Springdale and Wabush to be coordinated with Safety week (week of May 8<sup>th</sup>).

**Financial Updates:**

Cost Type	Description	Budgeted Cost	Actuals to Date
6010	Salaries	\$671,500	
6105	Materials	\$5,000	
6505	Travel	\$53,450	
6264	Consultants	\$25,000	
6605	Training	\$28,290	
6840	Vehicle Rental	\$3,236	
6820	Fuel	\$6,000	
6725	Safety Equipment	\$500	
	<b>Total</b>		<b>\$113,556.98</b>

**Issues and Concerns:**

- Availability of data required for some initiatives to allow for more accurate indication of savings.
- Accuracy of data received, depending on criteria entered in JDE.
- Response times for requests based on other workload responsibilities.

**Completion Target and Status:**

Target	Expected Completion Date	Status
2 year Innovation Work Plan	June 30,2018	Underway

**Innovation and Productivity Team Bi-weekly Report - Week Ending- May 25, 2018**

<b>Initiative</b>	<b>Work completed to date</b>	<b>Next Steps</b>	<b>Potential Annualized Savings</b>
<b>IT/OT (100% Hydro charged)</b>	Met with group to discuss communication approaches ( soft phones, desk phones, etc) Roll out new strategy to not have laptop as default for staff.	More data to be captured on cell phone use.	~ \$1.2M potential
<b>Transportation- Fleet Utilization</b>	Contacting Gov of NL to discuss their fleet reduction. Met with TRO regarding fleet governance. Met with fleet card provider on value.	Discuss with executive timing surrounding policy and roll out.	~\$270k + annually (plus additional immediate cost savings of \$190 K )
<b>Overtime</b>	Conversation with Management on level of supervision in the field	More analysis required.	To be determined
<b>Conferences and Training</b>	Discussions with MM on safety training requirements List of training gathered from HR List gathered on internal trainers available	Review data to determine opportunities to reduce external training and costs associated with external training. Opportunities to train internal people.	<b>To be determined</b>
<b>Travel</b>	Request for Expression of Interest for Travel Services out for tender. Closing June 20th	Continue to monitor monthly travel credit report and notify people of outstanding travel credits to be utilized.	To date : ~ \$46k annual savings on travel credit usages
<b>Postage -E-Billing</b>	Reached out to customer service on conversion targets for E-billing and current rates	Continually track captured conversions.	~\$71K annual savings Will increase with conversions.

**New Initiative Status:**

<b>New Initiative</b>	<b>Work completed to date</b>	<b>Next Steps</b>	<b>Potential Annualized Savings</b>
<b>IT Opportunities</b>	Information session held with IT Group.	IT Group to have a brain storming session within their own group to identify opportunities	To be determined.
<b>Freight</b>	Met with Supply Chain and decided on a phased approach to allow quick hits to be handled first.	Look at opportunities consolidate certain shipping activity together and tender to get better overall pricing.	To be determined.
<b>PPC</b>	Discussions with Safety group in Hydro to discuss roll out of revised approach to PPC distribution.	Complete PPC Checklist and start on policy for PPC	Savings to be determined
<b>Improving Field Productivity</b>	No Change	No Change	To be determined
<b>Monthly Readings</b>	Regulator and recloser training complete.	Track progress and time frame with distribution workers completing readings.	~\$27,000 in fuel savings
<b>ERT Services</b>	No change	No Change	To be determined.
<b>PPE</b>	No Change	Still some staff charging to this code at Hay 12, need to confirm their eligibility with Michelle Edmunds	~\$6700 +/-annually
<b>Consumables</b>	Looking at best approach for office consumables (stationary, toilet paper, etc)	Compare current unit prices including shipping costs to locally purchased items.	To be determined
<b>Cooking Services and Accommodations</b>	No Change	Monitor cooking expenditures and set schedule and menu for upcoming year.	~\$35,000 +
<b>Substitution Pay</b>	No Change	More review required. Arrange discussion with payroll on opportunities for improvement.	To be Determined.
<b>EFT</b>	No further info until JDE is working as intended.	Follow up with Eric White	~19K

	EFT		
<b>Capital Contingency Control and Reduction</b>	No Change	Meeting to be held with Engineering Services	To be determined.

**General Updates:**

Update	Comment
Meeting with Communications to be held on May 15 <sup>th</sup> to discuss information sharing going forward.	Info to be sent to communications on waste for communication to staff. Discussions on mapping and next site visits.
Grouping all submissions to help build the 2019 work plan	Continue to build idea register and work plan where applicable.

**Upcoming meetings:**

Purpose	Date	Location	Number of days	Employee(s) Travelling
Information sessions	Week of May 15th	Hydro Place-Regulatory	1	0
Information Sessions	Week of May 24th	Hydro Place-Engineering Services	1	JP,AMK
Information Sessions	Week of May 24th	Hydro Place – ECC and NLSO	1	JP, JR

**Financial Updates:**

Cost Type	Description	Budgeted Cost	Actuals to Date
6010	Salaries	\$671,500	
6105	Materials	\$5,000	
6505	Travel	\$53,450	
6264	Consultants	\$25,000	
6605	Training	\$28,290	
6840	Vehicle Rental	\$3,236	
6820	Fuel	\$6,000	
6725	Safety Equipment	\$500	
	<b>Total</b>		<b>To be updated</b>

**Issues and Concerns:**

- Availability of data required for some initiatives to allow for more accurate indication of savings.
- Accuracy of data received, depending on criteria entered in JDE.

- Response times for requests based on other workload responsibilities.

**Completion Target and Status:**

<b>Target</b>	<b>Expected Completion Date</b>	<b>Status</b>
<b>2 year Innovation Work Plan</b>	<b>June 30,2018</b>	<b>Underway</b>

**Innovation and Productivity Team Bi-weekly Report - Week Ending- June 8, 2018**

<b>Initiative</b>	<b>Work completed to date</b>	<b>Next Steps</b>	<b>Potential Annualized Savings</b>
<b>IT/OT (100% Hydro charged)</b>	Discussions had regarding alternatives to laptops, best solution has been found to be mini PCs. Cell phone policy found to be connected to cell phones, sat phones and VHF.	Policy development will have to be looked at in more detail to account for the dependence on one communication device if other are changed. Costing to be looked at to determine. Looking into other opportunities, ie. Soft phones.	~ \$610k + annually Revenue opportunities to be identified as well.
<b>Transportation- Fleet Utilization</b>	Draft policy completed. Comments received from LH, JH, and DD. Contact made with provincial gov't to discuss the rationale for the proposed 10% reduction to their fleet. Meeting held with Fleet card provider and governance committee.	Meeting with RLB and JW to discuss their comments and make a plan going forward to include roll out and audit.	~\$270k + annually (plus additional immediate cost savings of \$190 K )
<b>Overtime</b>	Compared supervisor data vs line crew data for overtime to see what trends are seen in data. Spoke to Dave Hicks and they are looking into implementation for line crews in their area of relying more heavily on lead hands.	Discussions need to be held with Ron LeBlanc on what levels of supervision are required in the field. More analysis required.	Potential to save the overtime of the line supervisors with utilizing the lead hands
<b>Attendance Support</b>	Requested data from Kelly Nichols on last year versus this year since the attendance support was brought in.	Track savings on overtime that would have been paid.	Q1 2017- Replacement costs \$194K Q1 2018(w/AS)- Replacement costs \$50K ~ \$144K savings to date.
<b>Conferences and Training</b>	Detailed list obtained from HR, internal training list, Training	Next steps to discuss Review data for opportunities to utilize	<b>To be determined</b>



	completed by Eng Services, list of internal instructors and courses.	internal trainers, reduce external training costs. For frequent external training, put out RFP for better prices.	
<b>Travel</b>	Request for Expression of Interest for Travel Services out to tender and closing June 20 <sup>th</sup> . Request for Expression of interest for Vehicle rental services being prepared for tender. Data gathered for Hotels.	Continue to monitor monthly travel credit report . Award tender and roll out plan for use across Hydro. Plan audit of services and ensure staff are utilizing service. Go to hotels in areas around NL to try and negotiate better rates.	To date : ~ \$46k annual savings
<b>Postage -E-Billing</b>	No Change	Continually track captured conversions.	~\$71K annual savings Will increase with conversions.

**New Initiative Status:**

<b>New Initiative</b>	<b>Work completed to date</b>	<b>Next Steps</b>	<b>Potential Annualized Savings</b>
<b>IT Opportunities</b>	Information session held with IT Group.	More discussions relating to It opportunities required.	To be determined.
<b>Freight</b>	Freight information is being reviewed. Small saves include brokerage fees and potential discounts for preferred shipping companies.	Large file, there is an audit underway so some items will be on hold until more information is available.	To be determined.
<b>PPC</b>	All work methods and staff have been cross referenced and a check list for PPC has been prepared.	Next steps is to provide list of employees and list of required PPC to each area and master list to Madonna Pelley. Policy surrounding PPC issuance and P card usage needs to be developed.	Savings potentially 20% of current spend ~\$54k
<b>Improving Field Productivity</b>	Spoke with Whitbourne Crew and Dave Hicks regarding Wood Pole management. Prepared memo showing potential	Crew to be permitted 2 hours daily overtime for a two week period to show their ability to complete the assigned	~\$70k in savings

	savings and presented to Dave Hicks	number of poles in a 2 week period.	
<b>Monthly Readings</b>	Staff completed regulator and recloser training.	Next steps is to follow up TRO upon completion of Regulator and Recloser training on May 14 <sup>th</sup> and track productivity.	~\$27,000 in fuel savings
<b>ERT Services</b>	Reviewed data and made some cost comparisons to evaluate feasibility of utilizing Holyrood ERT for other areas of the company for confined space rescue.	Awaiting information from Mike Manual on use utilization of staff in his area. Reaching out to Program Managers to try and get numbers on costs incurred on capital work.	To be determined.
<b>PPE</b>	Reviewed all charges to code 625 for 2018	Still some staff charging to this code at Hay 12, need to confirm their eligibility with Michelle Edmunds	~\$6700 +/-annually
<b>Consumables</b>	Exploring if we are getting the best value for office consumables(stationary, toilet paper, etc)	Compare current unit prices on LTSA and blanket orders and compare to locally purchasing items.	To be determined
<b>Cooking Services and Accommodations</b>	Reviewed cooking and accommodations including closer scrutiny of grocery purchase, cooking service, better utilization of accommodations. Currently looking at cable in remote accommodations(current spend is \$40k/yr)	Monitor cooking expenditures and set schedule and menu for upcoming year. Issues with stealing in camp. Monitoring of some sort required. Follow up with Cable provider to look at options for intermittent service.	~\$35,000 +
<b>Substitution Pay</b>	Data reviewed on entries into 421 and 422. <b>On hold until JDE E1 kinks to be worked out .</b>	More review required. Arrange discussion with payroll on opportunities for improvement.	To be Determined.
<b>EFT</b>	Requested conversions in 2017 from cheque to EFT	Eric to provide progress updates as they occur.	~19K

<b>Vending Machines</b>	Gathering a list of consumables to test vending machines. Discussions have been had with Source Atlantic on options and pricing.	With consumable data , the highest turnover rates can be identified and then pricing will be received. If the turnover is high, machines may have no rental cost.	To be determined
<b>Capital Contingency Control and Reduction</b>	No Change.	Meeting to be held with Engineering Services for action in 2019 if feasible.	To be determined.

**General Updates:**

<b>Update</b>	<b>Comment</b>
<b>Meeting to be held with Gail Tucker to go over regulatory requirements with regards to documentation for the Innovation and Productivity initiatives.</b>	Meeting set for Thursday, June 7 <sup>th</sup> .
<b>Meeting held with communications on May 15<sup>th</sup>.</b>	<b>Action items identified and team working through list.</b>
<b>Meeting with Champions</b>	<b>Discuss department initiatives and sessions- June 7<sup>th</sup>.</b>
<b>Grouping all submissions to help build the 2019 work plan</b>	<b>Continuing to work on Work Plan.</b>

**Information Sessions:**

	<b>Date</b>	<b>Location</b>	<b>Number of days</b>	<b>Number of attendees</b>
<b>Information sessions</b>	<b>May 16th</b>	<b>Hydro Place-Regulatory</b>	<b>1</b>	<b>4</b>
<b>Information Sessions</b>	<b>May 24th</b>	<b>Hydro Place-Engineering Services</b>	<b>1</b>	<b>10</b>
<b>Information</b>	<b>May 24th</b>	<b>Hydro Place-</b>	<b>1</b>	<b>9</b>

Sessions		ECC and NLSO		
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**Financial Updates:**

Cost Type	Description	Budgeted Cost	Actuals to Date
6010	Salaries	\$671,500	
6105	Materials	\$5,000	
6505	Travel	\$53,450	
6264	Consultants	\$25,000	
6605	Training	\$28,290	
6840	Vehicle Rental	\$3,236	
6820	Fuel	\$6,000	
6725	Safety Equipment	\$500	
	<b>Total</b>		<b>\$175,938.91</b>

**Issues and Concerns:**

- Availability of data required for some initiatives to allow for more accurate indication of savings.
- Ability to get data with New JDE roll out and accuracy of information.
- Response times for requests based on other workload responsibilities.
- Ability to make decisions to move things forward. Also the want to move things too quickly rather than be consistent across the company. Need to find ways to roll out new initiatives to allow people to meet targets in a timely fashion.
- Now that JDE is rolled out, need to push on each groups initiatives to meet their productivity allowance target.

**Completion Target and Status:**

Target	Expected Completion Date	Status
2 year Innovation Work Plan	June 30,2018	Underway

**Innovation and Productivity Team Bi-weekly Report - Week Ending- July 20th, 2018**

<b>Initiative</b>	<b>Work completed to date</b>	<b>Next Steps</b>	<b>Potential Annualized Savings</b>
<b>IT/OT (100% Hydro charged)</b>	New solution going forward is laptop will no longer be default for staff. Software list provided. VHF radios, vs sat phones vs radios being reviewed	Create list of cell phone users by department t as well as lists of software to be distributed to managers to verify who no longer requires a phone.	~ \$610k + annually Revenue opportunities to be identified as well.
<b>Transportation- Fleet Utilization</b>	Final draft policy completed. Reached out to communications to assist in communication plan for policy roll out	Meet with all supervisors to roll out policy, discuss guidelines around its implementation and the way forward.	~\$270k + annually (plus additional immediate cost savings of \$190 K )
<b>Online Motor Vehicle Registration</b>	Reviewed how we complete motor vehicle registrations, who is responsible for completing the registrations and current method	Identify staff, have p card limits raised for those staff strictly to allow on line registrations.	~\$10K
<b>Overtime</b>	Communication prepared and gone out to supervisors regarding utilizing lead hands.	Follow communication required to ensure messaging is clear. Review timesheets to ensure its being followed.	Potential to save the overtime of the line supervisors with utilizing the lead hands
<b>Attendance Support</b>	Requested data from Kelly Nichols on last year versus this year since the attendance support was brought in.	Track savings on overtime that would have been paid.	Q1 2017- Replacement costs \$194K Q1 2018(w/AS)- Replacement costs \$50K ~ \$144K savings to date.
<b>Conferences and Training</b>	No Change	Next steps to discuss Review data for opportunities to utilize internal trainers, reduce external training costs. For frequent external training, put out RFP for better prices.	<b>To be determined</b>
<b>Travel</b>	Request for Expression	Continue to monitor	To date : ~ \$46k annual

	of Interest for Travel Services awarded. Request for Expression of interest for Vehicle rental services being prepared for tender. Data gathered for Hotels.	monthly travel credit report . Communications required to go to all of NL Hydro regarding the use of Travel services to maximize value. Plan audit of services and ensure staff are utilizing service. Go to hotels in areas around NL to try and negotiate better rates.	savings
<b>Postage -E-Billing</b>	No Change	Continually track captured conversions.	~\$110K annual savings Will increase with conversions.

**New Initiative Status:**

<b>New Initiative</b>	<b>Work completed to date</b>	<b>Next Steps</b>	<b>Potential Annualized Savings</b>
<b>IT Opportunities</b>	Information session held with IT Group.	More discussions relating to It opportunities required.	To be determined.
<b>Freight</b>	Freight information is being reviewed. Small saves include brokerage fees and potential discounts for preferred shipping companies.		To be determined.
<b>PPC</b>	All work methods and staff have been cross referenced and a check list for PPC has been prepared. Policy development started for PPC	Next steps is to provide list of employees and list of required PPC to each area and master list to Madonna Pelley.	Savings potentially 20% of current spend ~\$54k
<b>Improving Field Productivity</b>	WPLM underway with change in hours. Anticipated to be completed in 8 weeks compared to 15 allotted.	Continue to monitor crew. Have completed the target in first two weeks to finish in anticipated time frame.	~\$70k in savings
<b>Monthly Readings</b>	First set of readings completed.	Next steps is to follow up with TRO and track productivity.	~\$27,000 in fuel savings

<b>ERT Services</b>	Savings established in Holyrood in using crew instead of a contractor	Continue to look for opportunities for ERT team	~\$25,000
<b>PPE</b>	No change to date	Still some staff charging to this code at Hay 12, need to confirm their eligibility with Michelle Edmunds	~\$6700 +/-annually
<b>Consumables</b>	Exploring if we are getting the best value for office consumables(stationary, toilet paper, etc)	Compare current unit prices on LTSA and blanket orders and compare to locally purchasing items.	To be determined
<b>Cooking Services and Accommodations</b>	No Change	Continue to monitor cooking expenditures	~\$35,000 +
<b>Substitution Pay</b>	Data reviewed on entries into 421 and 422. <b>On hold until JDE E1 kinks to be worked out</b>	More review required. Arrange discussion with payroll on opportunities for improvement.	To be Determined.
<b>EFT</b>	<b>On hold until JDE E1 kinks to be worked out</b>	Eric to provide progress updates as they occur.	~19K
<b>Vending Machines</b>	Gathering a list of consumables to test vending machines. Discussions have been had with Source Atlantic on options and pricing.	With consumable data , the highest turnover rates can be identified and then pricing will be received. If the turnover is high, machines may have no rental cost.	To be determined
<b>Capital Contingency Control and Reduction</b>	No Change.	Meeting to be held with Engineering Services for action in 2019 if feasible.	To be determined.
<b>CMR Roles</b>	Meeting held with union to ensure no issues with utilizing staff for this purpose	Continue to look for opportunities and follow up on progress as work becomes available.	~50K
<b>Supervisors in the field</b>	Review being conducted in TRO on supervisors in the field when there is a lead hand	Send communication out to staff on requirements for supervision to allow responsibility to be placed where required.	To be determined
<b>Courier Costs(Holyrood Lab)</b>	Underway- Reduction in costs by 50%	Continue to monitor costs	~3K

**General Updates:**

Update	Comment
Meeting to be held with Kyle Tucker to go over regulatory requirements and opportunities for savings in regulatory process	Meeting held July 13 <sup>th</sup> .
Waste Posters for Meeting Rooms being prepared by Communications	Follow up with Janine July 19th
Work plan submitted for review	Continuing to work add items in Work Plan as they are submitted

**Information Sessions:**

	Date	Location	Number of days	Number of attendees
Information sessions	July 4th	Hydro Place- Managers ES, CS ,REgulatory	1	6
Information Sessions	July 5th	Hydro Place- ES and Meter shop	1	6
Information Sessions	July 6th	Hydro Place- CS	1	4

**Financial Updates:**

Cost Type	Description	Budgeted Cost	Actuals to Date
6010	Salaries	\$671,500	
6105	Materials	\$5,000	
6505	Travel	\$53,450	
6264	Consultants	\$25,000	
6605	Training	\$28,290	
6840	Vehicle Rental	\$3,236	
6820	Fuel	\$6,000	
6725	Safety Equipment	\$500	
	<b>Total</b>		<b>\$ 266,394.70</b>

**Issues and Concerns:**

- Availability of data required for some initiatives to allow for more accurate indication of savings.
- Ability to get data with New JDE roll out and accuracy of information.
- Response times for requests based on other workload responsibilities.
- Ability to make decisions to move things forward. Also the want to move things too quickly rather than be consistent across the company. Need to find ways to roll out new initiatives to allow people to meet targets in a timely fashion.



- Now that JDE is rolled out, need to push on each groups initiatives to meet their productivity allowance target.

**Completion Target and Status:**

<b>Target</b>	<b>Expected Completion Date</b>	<b>Status</b>
<b>2 year Innovation Work Plan</b>	<b>June 30,2018</b>	<b>Completed and continuously being updated</b>