Page 1 of 1

1 Q: (Liberty December 17, 2014 Report to Board on Supply Issues and Power 2 Outages Review Island Interconnected System addressing Newfoundland Power 3 Inc.) The report states (page 22): "The large contribution that the distribution 4 system makes to outages and the number of equipment-caused failures indicate room for further improvement in reliability (Recommendation #2.1)". How do 5 6 Newfoundland Power figures compare to figures typical of the industry; i.e., 7 what percentage of outages are typically attributable to the distribution, 8 transmission and generation functions of a power system, and what 9 contribution do equipment-caused failures typically make?

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A. Liberty is not aware of any studies that would provide such a quantitative comparison. Liberty here meant only that Newfoundland Power's overall reliability might be more cost effectively improved by applying more of its available capital to improving the reliability of its distribution system than to improving its substations and transmission system reliability, given the relative contributions of each to the company's outages.