

1 **Q. Please confirm that none of the metrics considered by EY in its 2018 report were**
2 **considered high-risk. Did EY consider risk only at that snapshot in time? What**
3 **value can be assigned to such a risk assessment when both EY and NP know that it**
4 **would take at least 3 years to implement a new CSS?**
5

6 A. Measuring risks and how those risks are forecast to change over time is a valuable
7 planning input for critical business applications, such as CSS.
8

9 EY's assessment considered both the risks facing CSS in 2018 and how those risks were
10 forecast to change over 5 to 10 years.
11

12 Table 1 of response to Request for Information CA-NP-070 summarizes the ratings
13 assigned by EY for each risk dimension. It shows that, according to EY, CSS faced
14 "moderate" to "moderate-high" risks across 4 dimensions in 2018, with all 4 risks
15 increasing to "high" within 5 to 10 years.
16

17 Based on this assessment, EY observed that "*Newfoundland Power presently has a*
18 *window where it can take the appropriate time to thoroughly evaluate its CSS*
19 *replacement options.*"¹ Newfoundland Power completed this evaluation and developed a
20 plan to replace CSS by 2023.
21

22 For more information on the timing of this project, see response to Request for
23 Information PUB-NP-014.

¹ See EY, *CSS Technical Risk Assessment*, June 2018, page 21.