

- 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 23): “*The current gap between worst performing*  
4           *and all feeders is 5.15 versus 1.9. Newfoundland Power does not consider this*  
5           *gap sufficient to continue including worst performing feeders in its Distribution*  
6           *Reliability Initiative. Liberty views the remaining gap as substantial enough to*  
7           *warrant the common utility practice of a targeted funding program to address*  
8           *that 10 to 15 percent of feeders exhibiting worst SAIDI and SAIFI performance*  
9           *during the previous year, absent a showing that other expenditures on reliability*  
10           *improvement are more cost effective”. Please confirm that: 1) all distribution*  
11           *companies have “worst performing feeders” that contribute to the overall*  
12           *average; 2) the best performing feeders tend to be in urban areas where it is*  
13           *less costly to improve reliability; and 3) the worst performing feeders tend to*  
14           *be in rural areas where it is more costly to improve reliability. Further, was*  
15           *Newfoundland Power asked if it has other expenditures on reliability*  
16           *improvement that are more cost effective? If so, please provide the response.*  
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- 19   **A.**   (1)   Liberty acknowledges that not all company feeders perform equally and that  
20           some therefore are worst performers by definition.  
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22           (2)   This statement is generally true, depending on the metric used to gauge  
23           reliability, but its applicability to Newfoundland Power would require  
24           confirmation from the company (note also that feeders in more densely  
25           populated areas tend more commonly to be networked).  
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27           (3)   This statement is generally true, depending on the metric used to gauge  
28           reliability, but its applicability to Newfoundland Power would require  
29           confirmation from the company (note also that feeders in less densely  
30           populated areas tend more commonly to be radial).  
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32           (4)   Liberty did not ask Newfoundland Power if other reliability expenditures  
33           were more cost effective than addressing worst performing feeders because  
34           Newfoundland Power does not calculate the value of its reliability projects in  
35           terms of dollar cost per avoided customer interruptions or interruption  
36           minute.