

1 Q. **Reference: Justification Report, page 14, lines 10 - 13**

2 Please explain why Hydro chose to base its cost-benefit analysis of the Business Systems  
3 Transformation Program on only the two scenarios indicated.

4

5

6 A. Newfoundland and Labrador Hydro based its cost-benefit analysis on the two scenarios  
7 provided in the “Business Systems Transformation Program Justification Report”<sup>1</sup> to  
8 demonstrate the reasonability and prudence of Newfoundland and Labrador Hydro’s  
9 participation in the shared services Business System Transformation Program. It did not  
10 consider other scenarios based on alternate software or vendor options as the intent of the  
11 cost-benefit analysis was not to select software or vendors;<sup>2</sup> rather, it was to determine the  
12 minimum operating and maintenance savings necessary for the implementation of the new  
13 systems to be more economical than continuing with the previous systems.

---

<sup>1</sup> Business Systems Transformation Program vs. continuing with the previous system.

<sup>2</sup> The business case for JD Edwards EnterpriseOne and Cognos TM1 are provided in Newfoundland and Labrador Hydro’s responses to PUB-NLH-196 and PUB-NLH-198, respectively.