

- 1 **Q. (CA-NP-22) Did Liberty consider the “value” that customers place on increased**  
2 **reliability when undertaking its study?**  
3
- 4 A. Newfoundland Power cannot confirm whether or not “the value that customers place on  
5 increased reliability” was considered by the Liberty Consulting Group (“Liberty”) in its  
6 *Report on Island Interconnected System to Interconnection with Muskrat Falls*  
7 *Addressing Newfoundland Power*. However, Newfoundland Power observes that Liberty  
8 identified opportunities and made recommendations to improve reliability for customers  
9 in its report. These included installing additional downstream reclosers, increasing the  
10 priority of the *Rebuild Distribution Lines Project*, and a renewed effort to improve the  
11 reliability of the Company’s worst performing distribution feeders.<sup>1</sup> Projects relating to  
12 these recommendations have been included in subsequent capital budget applications  
13 which have been approved by the Board.<sup>2</sup>

---

<sup>1</sup> See Liberty’s *Report on Island Interconnected System to Interconnection with Muskrat Falls Addressing Newfoundland Power*, December 17, 2014, pages 22-23.

<sup>2</sup> For example, in Order No. P.U. 40 (2014) the Board approved \$863,000 in relation to improving reliability of the Company’s worst performing feeders and \$160,000 for additional downstream reclosers.