

1 **Q. Reference: “2021 Capital Budget Application,” Newfoundland Power, July 9, 2020**  
 2 **Volume 1, Customer Service Continuity Plan, Attachment 1 “Ernst & Young LLP**  
 3 **Customer Information System: Assessment Results and Planning**  
 4 **Recommendations” at p. 23.**

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 6 **Please provide details for the Facilities/Hardware expenses of \$1.8 (sic) million.**

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 8 A. Table 1 provides details of the Facilities/Hardware expenses of approximately  
 9 \$1.89 million, as recommended in Ernst and Young LLP’s report.

**Table 1:**  
**Customer Service System Replacement Project**  
**Facilities/Hardware Expenses**  
**(\$000s)**

Hardware	1,210
Office Space Leasing	402
Office Space Configuration	278
<b>Total</b>	<b>1,890</b>

10 Hardware costs of approximately \$1.21 million include servers, disk storage and  
 11 networking components for the replacement solution, as well as personal computers for  
 12 the project team.

13  
 14 Facilities costs relate to the establishment of a temporary office space for the project  
 15 team. This includes leasing costs of approximately \$402,000 and configuration costs of  
 16 approximately \$278,000.<sup>1</sup> Configuration costs include the installation of  
 17 communications equipment, the configuration of cubicles and meeting rooms, and all  
 18 associated office equipment (e.g. printers).

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<sup>1</sup> Estimated costs for office space leasing were based on: (i) an estimate of square footage requirements for the project team; and (ii) estimated costs for Class B office space in St. John’s in 2019, as provided by Cushman and Wakefield, a commercial real estate services firm.