

1 **Q. (Reference PUB-NP-039) It is stated “Maintaining service reliability also requires**
2 **maintaining a prompt response to customer outages. The Company employs a skilled**
3 **workforce throughout its service territory.”**

4 **a) Does this impact SAIFI statistics, or only SAIDI statistics?**

5 **b) If Newfoundland Power were to let SAIDI levels decline to the Canadian**
6 **average, how many staff positions could be eliminated?**

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8 A. a) SAIDI performance reflects both the number of interruptions that a customer
9 experiences, or SAIFI, and the average duration of the interruption. The statement
10 referenced in this request will impact SAIDI in both of these areas. Maintaining a
11 prompt response and employing a skilled workforce throughout the Company’s
12 service territory will impact the average duration of interruptions. A skilled workforce
13 is also required to complete equipment inspections and to complete planned repairs in
14 a timely manner, which impacts the number of unplanned customer outages. For
15 additional information, see the response to Request for Information PUB-NP-148.

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17 b) The Request for Information implies that allowing SAIDI performance to degrade
18 below current levels will result in cost savings through a reduction in employees.
19 Newfoundland Power does not agree.

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21 SAIDI performance reflects both the number of interruptions that a customer
22 experiences and the average duration of the interruption. Therefore, reducing SAIDI
23 performance can be achieved by: (i) increasing the number of customer interruptions
24 that occur; (ii) increasing the average duration of customer interruptions; or (iii) a
25 combination of (i) and (ii).

26
27 Increasing the number of customer interruptions can be achieved by reducing the
28 amount of planned investment in the electrical system. However, this will also result
29 in more frequent unplanned outages as more equipment will fail in service.
30 Unplanned work typically takes longer to complete and often occurs outside normal
31 operating hours, requiring more resources, potentially resulting in a costlier response.
32 This approach would not result in a reduction in employees, and is likely to have the
33 opposite effect.

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35 Increasing the average duration of customer interruptions can be achieved by
36 delaying response times to customer outages, or reducing focus on operating
37 efficiency. A delayed response time does not impact overall workload, as resources
38 would still be required to respond to customer outages, and therefore would not result
39 in a reduction in employees.¹ This is also the case for reducing focus on operating
40 efficiency.

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42 Newfoundland Power maintains a balanced workforce to match resources to required
43 work, including capital projects, maintenance, and response to customer requests.

¹ Further, the Company submits that this hypothetical approach may offend the Company’s statutory duty to provide reasonably adequate service to its customers and the general public. See section 37 of the *Public Utilities Act*.

1 Responding to customers’ requests for field work is a cornerstone of Newfoundland
2 Power’s operations. The Company responds to approximately 34,000 customer
3 requests for field work annually, including trouble calls, new service connections and
4 street light repairs.² In addition, the Company completes over 2,000 work tasks
5 related to its capital program annually. Company employees are fully utilized during
6 regular operating hours performing maintenance, responding to scheduled customer
7 calls, and completing capital work, and are redirected to respond to trouble calls as
8 they arise.

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10 The Company submits that were the Company to let SAIDI decline to the Canadian
11 average, there would be no associated reduction in employees, and may result in
12 increased, rather than decreased, costs.

² Newfoundland Power screens all requests for field service to determine whether an immediate response is required. In general, calls can be classified as requiring a prompt field response, no response at all, or, in cases such as underground locate requests, a scheduled response. A trouble call is any customer call related to a customer’s electrical service or the infrastructure used to provide service that requires an immediate field response by the Company. An immediate response to trouble calls is necessary to ensure the health, safety or security of the public.