

1 **Q. Further to the response to PUB-NP-040, Newfoundland Power suggests it views**
2 **SAIFI (frequency of outage) performance to be more critical than SAIDI (duration**
3 **of outage) performance. However, investments and improvements discussed in other**
4 **responses (e.g., PUB-NP-017 and PUB-NP-047) appear to be focused more on**
5 **shortening the outage duration than the frequency. Please explain how**
6 **Newfoundland Power expects to achieve improved SAIFI by focusing its**
7 **investments on projects affecting SAIDI.**

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9 A. Newfoundland Power does not view SAIFI performance to be more critical than SAIDI
10 performance. SAIDI performance reflects both the number of interruptions that a
11 customer experiences, or SAIFI, and the average duration of the interruption.¹ Hence,
12 both SAIDI and SAIFI are interrelated.

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14 Newfoundland Power's operations are focused on maintaining current levels of service
15 reliability for customers under normal operating conditions. The evidence filed with the
16 Company's *2025/2026 General Rate Application* shows that both the frequency and
17 duration of customer outages has been reasonably consistent under normal operating
18 conditions over the last decade.²

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20 Newfoundland Power notes that PUB-NP-017 and PUB-NP-047 pertain to the
21 Company's management of operating and capital costs, respectively. The examples
22 provided in the responses to these requests for information demonstrate Newfoundland
23 Power's focus on operating and capital efficiency. Although some of the examples are
24 related to reliability performance, they are not intended to reflect Newfoundland Power's
25 overall focus on maintaining current levels of reliability for customers.

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27 There is one example provided in the response to Request for Information PUB-NP-017
28 that is related to improving Newfoundland Power's system restoration response –
29 automation of the electrical system.³ The automation of the electrical system, primarily
30 accomplished through the *Distribution Feeder Automation* capital project, has accounted
31 for less than 1% of the Company's capital investments since 2014.⁴

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33 Similarly, there is one example in the response to Request for Information PUB-NP-047
34 that is related to improvements in reliability performance for customers – the *Distribution*
35 *Reliability Initiative*.⁵ The execution of the *Distribution Reliability Initiative* has
36 accounted for approximately 1% of the Company's capital investments since 2014.⁶

¹ SAIDI refers to the *amount of outage hours* the average customer experiences. SAIFI refers to the *number of outages* the average customer experiences, and CAIDI refers to the *average duration of an outage* experienced by a customer. It can be demonstrated that SAIDI is equal to the product of SAIFI and CAIDI.

² See Newfoundland Power's *2025/2026 General Rate Application, Volume 1, Application, Company Evidence And Exhibits, Section 2: Customer Operations*, pages 2-17 and 2-18.

³ See the response to Request for Information PUB-NP-017, page 3, lines 1 to 3.

⁴ From 2014 to 2024, the Company's capital investments average approximately \$107 million. Over the same period, investments in *Distribution Feeder Automation* average approximately \$728,000.

⁵ See the response to Request for Information PUB-NP-047, page 5, lines 4 to 11.

⁶ From 2014 to 2024, the Company's capital investments average approximately \$107 million. Over the same period, investments in *Distribution Reliability Initiative* average approximately \$1.4 million.

1 Over the same time period, investments in the Renewal investment classification average
2 approximately \$50 million annually since 2014. This represents approximately half the
3 Company's capital investments focused on maintaining current levels of reliability for
4 customers.