

**Q. In reference to the evidence of Earl Ludlow, page 37, tables 20 and 21, and page 40, Table 22, is it fair to conclude on the basis of Table 22 that Newfoundland Power has failed to improve its overall system SAIDI and SAIFI statistics in recent years; i.e., all improvements in SAIDI and SAIFI experienced by Newfoundland Power customers are owing to improvements made by Hydro?**

**A.** No, it is not fair to conclude that Newfoundland Power has failed to improve its system reliability statistics in recent years.

Table 1 below provides an operating area breakdown of the statistics presented in Table 22 on Page 40 of the *Operations & Customer Service Evidence*. These statistics exclude outages caused by both scheduled and unscheduled loss of supply from Hydro.

<b>Table 1</b>						
<b>SAIFI/SAIDI by Operating Area: 1998 to 2002</b>						
<b>Area</b>	<b>Measure</b>	<b>Year</b>				
		<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002<sup>1</sup></b>
<b>St. John's</b>	<b>SAIFI</b>	2.41	2.79	3.11	2.56	1.36
	<b>SAIDI</b>	2.27	6.89	4.79	1.84	1.47
<b>Avalon</b>	<b>SAIFI</b>	3.37	5.00	3.67	3.48	1.79
	<b>SAIDI</b>	5.95	15.79	4.12	3.71	2.45
<b>Burin</b>	<b>SAIFI</b>	5.88	6.22	7.45	4.32	8.02
	<b>SAIDI</b>	13.57	9.82	10.98	8.02	8.52
<b>Bonavista</b>	<b>SAIFI</b>	4.20	6.41	3.66	3.62	6.12
	<b>SAIDI</b>	6.59	5.79	3.50	4.95	9.67
<b>Gander</b>	<b>SAIFI</b>	4.60	5.88	5.69	2.78	4.76
	<b>SAIDI</b>	7.14	12.49	7.76	4.16	6.30
<b>Grand Falls</b>	<b>SAIFI</b>	1.58	5.38	5.43	3.37	2.43
	<b>SAIDI</b>	2.20	9.56	6.74	5.10	3.78
<b>Corner Brook</b>	<b>SAIFI</b>	3.17	5.66	3.68	1.78	2.33
	<b>SAIDI</b>	3.97	5.38	3.17	2.03	2.57
<b>Stephenville</b>	<b>SAIFI</b>	4.60	16.05	5.46	3.95	3.08
	<b>SAIDI</b>	10.62	13.64	6.58	5.34	5.63

<sup>1</sup> Statistics are for the period January to September 2002 inclusive.

In order to properly assess trends in SAIDI and SAIFI reliability statistics, it is necessary to review longer-term (3 to 5 year) averages. These reduce the effects of year-to-year weather variations. The statistics presented in Table 1 show that Newfoundland Power has made progress in improving the reliability of its system over much of its service territory. These improvements, together with those achieved by Hydro in reducing the frequency and duration of loss of supply outages, have resulted in reliability improvements for the Company's customers.