Q. Provide any data or studies relative to interruption in service to customers that are to be improved through a 97% increase in spending on vegetation management (tree trimming and inspections) from $645 in 1998 to $1273 in 2004.

A. The Company has not completed any formal studies directly linking interruptions in service to customers with spending in terms of its vegetation management activities. The primary objective of the Company's vegetation management program is to minimize public and employee safety hazards associated with contact between power lines and vegetation.

Trees can conduct electricity. During wind and icing conditions, trees can provide a path for electricity to flow into the ground or between conductors bridged by tree limbs, creating conditions that can pose safety hazards for utility employees and the general public. Figure 1 illustrates the danger posed by the contact of vegetation with power lines.

Figure 1

Tree that contacted energized line, Old Topsail Road, St. John's.

In addition to the safety aspect, however, an effective vegetation management program can also help minimize disruptions of service to customers caused by excessive vegetation growth. Table 1 below contains data from the Company's interruption reporting system indicating the total number of outages by year from 1998-2002 for which the cause was attributed to trees contacting lines during wind and icing conditions.

Table 1
Outages Attributed to Trees In Line: 1998-2002

	1998	1999	2000	2001	2002[1]
Number of Outages	61	140	68	58	66
Customer Hours of Outage	12,938	55,093	22,007	14,262	15,389

[1] < >.

To improve the effectiveness of its management of vegetation growth in proximity to power lines, Newfoundland Power made changes to its vegetation management program in 2000. The revised program, which included implementation of a comprehensive four-year tree-trimming cycle on distribution lines, and a more rigorous inspection cycle, reflects a more rigorous approach to tree trimming and brush clearing near power lines.

In addition to an increased emphasis on vegetation management arising from the implementation of the revised program, the following factors have contributed to an increase in unit costs associated with the Company's vegetation management activities since 1998.

- To ensure the safety of workers and the public, the Company has introduced new work methods and increased the qualifications required of contractors employed to conduct tree trimming and brush clearing work;
- To eliminate the environmental impact of burning and/or land filling alternatives, the Company has introduced a policy of chipping all waste material from tree trimming and brush clearing operations;
- Inspection results have indicated that warm summers and mild winters in recent years have led to more rapid tree growth across the province.