

1 **Q. TRANSPORTATION**

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3 **PUB 21.0 (RE: p. 57 & 58 of 73) Purchase Vehicles and Aerial Devices (\$2,642,000)**

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5 **PUB 21.3**

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7 **Of the passenger vehicles to be replaced, there are seven 1999 vehicles that had less**
8 **than 100,000 km. on the odometer as of the reading dates in 2004. Please provide**
9 **details as to why these are being replaced at this time.**

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11 A. These seven vehicles exceed the replacement criteria of five years and are therefore
12 proposed for replacement at this time.

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14 The budget process requires that Newfoundland Power assess vehicle requirements
15 almost a year prior to the actual purchase of vehicles. In addition, vehicle requirements
16 are reassessed prior to the final purchasing decisions, as will be the case with these seven
17 vehicles, and it is not uncommon for changes to occur.

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19 This current replacement list includes two passenger vehicles that are older than 1999
20 that had been earmarked for replacement in previous budgets, but were retained as a
21 result of subsequent reassessment. In addition, changes may result from vehicles being
22 involved in accidents, or newer vehicles unexpectedly reaching the end of their useful
23 lives as a result of excessive mileage or high maintenance costs.

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25 Three of the noted seven vehicles are meter readers' vehicles that are used in urban areas.
26 As a result of such usage, these vehicles are exposed to a lot of slow driving, extended
27 engine idling, and starting and stopping, which typically contributes to high maintenance
28 costs as the vehicles age, despite the relatively low mileage. In addition, the body and
29 structure of such vehicles are exposed to a significant amount of stress, as doors can be
30 opened and closed as many as several hundred times per day. All seven vehicles will be
31 further evaluated prior to purchasing new vehicles as part of the 2005 capital budget. The
32 decisions at that time will be based on the actual condition of the vehicles and good
33 business practice.