

1 **Q. In response to PUB-NP-005 in its 2015 Capital Budget Newfoundland Power stated:**

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3 **The addition of CHIKM and CIKM as screens for assessing reliability**  
4 **performance will not necessarily result in materially increased expenditures to**  
5 **improve distribution reliability. It will however, result in a more informed**  
6 **screening process which should result in more cost effective reliability**  
7 **assessment and improvement over the long term.**

8  
9 **Has Newfoundland Power reviewed the impact of using CHIKM and CIKM as**  
10 **screens on its distribution reliability projects and expenditures to determine if**  
11 **expenditures have increased using these measures and if these measures have**  
12 **resulted in greater cost effective reliability assessments?**

13  
14 **A. The use of CHIKM and CIKM as screens under Newfoundland Power’s Distribution**  
15 **Reliability Initiative (“DRI”) have not caused capital expenditures to materially increase.**

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17 CHIKM and CIKM were introduced as screens under the DRI beginning in 2015.  
18 Over the period 2015 to 2018, work was completed on 5 feeders as a result of these  
19 screens, totalling \$2.6 million.

20  
21 Table 1 details actual capital expenditures driven by CHIKM and CIKM over the period  
22 2015 to 2018.

**Table 1**  
**Distribution Reliability Initiative**  
**Work driven by CHIKM and CIKM**  
**(\$000s)**

<b>Year</b>	<b>Feeder</b>	<b>Expenditures</b>
2015	MOL-09	421
2015	KBR-10	1,143
2016	GFS-02	255
2016/17	SLA-09	480
2018	KEN-03	308
	<b>Total</b>	<b>2,607</b>

23 Newfoundland Power’s DRI was introduced in 1998 as a means of targeting the  
24 Company’s worst-performing feeders. Over the period 1998 to 2011, capital  
25 expenditures under the DRI averaged approximately \$1.2 million per year.<sup>1</sup> Since

<sup>1</sup> Newfoundland Power’s annual capital budgets did not include DRI projects in 2012 through 2014.

1 implementing CHIKM and CIKM as screens in 2015, annual capital expenditures under  
2 the DRI have continued to average \$1.2 million per year.

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4 Newfoundland Power introduced CHIKM and CIKM as screens under the DRI to provide  
5 an effective way of assessing shorter feeders serving relatively large numbers of  
6 customers. Such feeders are typically found in urban areas.

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8 All feeders shown in Table 1 are within urban areas of the Company's service territory.<sup>2</sup>  
9 This indicates the use of CHIKM and CIKM has been effective in targeting urban  
10 feeders.

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12 Overall, the use of CHIKM and CIKM, in conjunction with traditional SAIDI and SAIFI  
13 indices, provides for effective reliability assessments of all feeders regardless of length or  
14 customer density.

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<sup>2</sup> Feeders KBR-10, MOL-09, SLA-09, and KEN-03 are located within St. John's. Feeder GFS-02 is located within Grand Falls-Windsor.