

1 **Q. (Reference Application Schedule B, pages 71, 72 and 73 of 98) For the Purchase**
 2 **Vehicles and Aerial Devices (Pooled) project, what happens to the replaced vehicles**
 3 **and how are revenues accounted for? How does NP’s policy on replacement of**
 4 **vehicles and aerial devices compare to Hydro’s policy? Please provide evidence by**
 5 **way of certification from a mechanic stating that these vehicles require replacement**
 6 **and the reasons why. Please provide the warranty vehicle period for each vehicle**
 7 **from the date of purchase. Please provide a list of repairs undertaken for each**
 8 **vehicle for the past three years.**

9
 10 A. Newfoundland Power sells at auction any vehicles that have reached the end of their
 11 service lives and have been replaced. The auction proceeds, net of costs, are recorded as
 12 salvage proceeds and accounted for as a reduction of accumulated depreciation.¹

13
 14 In the *2016 Capital Budget Application*, the Company filed the report *5.1 Vehicle*
 15 *Replacement Criteria* in response to the Board’s request that Newfoundland Power
 16 provide information on the vehicle replacement policies for other Canadian utilities.²
 17 This report compared the vehicle replacement criteria used by Newfoundland Power to
 18 those used by other Canadian electrical utilities with specific reference to Atlantic
 19 Canadian electrical utilities including Newfoundland and Labrador Hydro.³ The report,
 20 and its accompanying survey, shows the Company’s policy on replacement of vehicles
 21 and aerial devices is consistent with current Canadian utility practice and the least-cost
 22 delivery of service to customers.

23
 24 It is anticipated that over 70 heavy fleet and passenger vehicles will meet either the
 25 threshold age or level of usage criteria sometime in 2021. The forecast number of
 26 replacements of heavy fleet and passenger vehicles for 2021 is 38.⁴ At this time, the
 27 Company is unable to provide the certifications requested, since the specific vehicles that
 28 will need to be replaced will not be identified until 2021.⁵

29
 30 The warranty protection chosen by Newfoundland Power varies depending on the
 31 category of vehicle. The warranty protection for passenger vehicles is a standard 3-year
 32 or 60,000 kilometre warranty. The warranty protection for heavy fleet vehicles is a
 33 2-year, unlimited mileage warranty on the cab and chassis. The body and aerial device
 34 come with a 12-month basic warranty, and a lifetime warranty on all major components.
 35

¹ There is no immediate rate impact as a result of these auction proceeds, as the salvage reduces the depreciation amounts that were pre-collected from customers and any changes would flow through the next depreciation study.

² In Order No. P.U. 40 (2014) the Board stated it “*sees merit in requiring information in relation to the vehicle replacement criteria of other Canadian utilities. In its next capital budget application where expenditures are proposed in relation to vehicle replacements, Newfoundland Power will be expected to provide information on the vehicle replacement policies for other Canadian utilities.*”

³ The replacement criteria used by Newfoundland and Labrador Hydro can be found in their *2021 Capital Budget Application, Volume 2, Replace Light and Heavy Duty Vehicles*.

⁴ See the *2021 Capital Budget Application, Volume 1, Schedule B*, page 71, Table 1.

⁵ The Company has 2 qualified mechanics with extensive experience in utility vehicle maintenance.

1 The Company is unable to provide a list of repairs by vehicle as requested. The
2 maintenance database for the period from June 2017 to June 2020 includes in excess of
3 32,000 items. Included in this list is all maintenance undertaken on all Company
4 vehicles, including routine maintenance and breakdown maintenance. Routine
5 maintenance items would include replacing filters, brake parts and batteries. More
6 significant breakdown maintenance items would include replacing turbochargers, cracked
7 cylinder heads and rebuilding transmissions. Sorting through these 32,000 pieces of data
8 to extract items that would qualify as repairs would take considerable effort and could not
9 reasonably be completed in the time allotted for response.

10
11 To be as responsive as reasonably possible to this Request for Information, the Company
12 is providing the maintenance cost for each vehicle anticipated to meet either the threshold
13 age or level of usage criteria sometime in 2021.⁶ Attachment A provides the
14 maintenance cost for each vehicle that is forecast to meet the age or kilometre review
15 criteria in 2021 for the period 2017 to 2020 YTD.

⁶ Excluded from the data included in Attachment A is the cost associated with fuel and tires.

**Vehicle Maintenance Cost
2017 – 2020 YTD**

Table 1
Vehicle Maintenance Cost 2017 – 2020 YTD

Unit	Make/Model	Year	Age	Odometer ¹	2017	2018	2019	2020	Total
103E	FRTLNR M2 Posi Plus	2011	10	311,085	\$29,278.70	\$22,496.21	\$16,253.57	\$13,232.88	\$81,261.36
171E	FRTLNR M2 Posi Plus	2011	10	248,384	23,768.64	36,607.76	24,328.27	22,200.82	106,905.49
202E	FRTLNR M2 Posi Plus	2011	10	221,708	43,635.80	33,133.05	38,418.88	23,436.29	138,624.02
255D	FRTLNR M2 Posi Plus	2011	10	98,098	26,560.89	11,439.86	42,581.39	13,992.69	94,574.83
298F	FRTLNR M2 Posi Plus	2011	10	362,954	50,231.34	47,262.14	40,430.24	36,556.72	174,480.44
047C	INTRNL Terra Star	2012	9	235,997	29,318.32	61,123.12	41,816.19	38,284.02	170,541.65
132F	INTRNL Terra Star	2012	9	183,714	39,513.79	58,236.83	43,565.68	17,378.55	158,694.85
210F	Chev Express Cargo 1500	2013	8	337,601	5,810.25	10,819.55	2,438.27	3,604.02	22,672.09
268G	Chev Express Cargo 1500	2013	8	87,378	1,478.29	1,166.64	3,062.47	2,187.99	7,895.39
720B	Chev Express Cargo 1500	2013	8	102,369	3,661.82	4,048.55	3,756.08	3,841.44	15,307.89
723B	Chev Express Cargo 1500	2013	8	101,231	2,451.24	1,398.97	1,222.60	2,326.72	7,399.53
051F	Ford Econoline	2013	8	150,085	1,574.11	5,673.79	13,585.71	3,423.20	24,256.81
166H	Ford F150 4x4 SL	2013	8	162,744	3,357.13	5,126.34	7,289.26	4,370.69	20,143.42
204D	Ford F150 4x4 SL	2013	8	233,822	2,454.58	4,194.39	4,555.93	2,982.77	14,187.67
045B	Subaru Outback	2013	8	76,732	2,876.33	2,180.37	3,124.17	1,329.16	9,510.03
048C	Toyota Rav 4	2013	8	78,130	1,945.63	877.49	1,071.71	774.56	4,669.39
173G	Toyota Rav 4	2013	8	92,710	1,240.10	1,326.12	1,425.99	270.05	4,262.26
221E	Toyota Rav 4	2013	8	66,900	779.34	719.30	1,867.84	26.25	3,392.73
281F	Toyota Rav 4	2013	8	107,198	733.96	860.95	1,240.63	525.40	3,360.94
329F	Toyota Rav 4	2013	8	51,124	1,098.80	736.44	657.55	1,122.98	3,615.77
231F	Chev Express 1500 Cargo	2014	7	138,067	2,628.54	1,365.54	2,914.20	1,104.75	8,013.03
200G	Dodge Caravan	2014	7	89,664	2,416.72	3,264.72	1,070.18	1,484.42	8,236.04
223E	Dodge Ram Cargo Van	2014	7	73,794	4,610.69	4,024.12	4,647.71	3,447.74	16,730.26
050A	Dodge Ram Quad Cab	2014	7	183,776	1,521.41	9,190.63	4,571.81	4,222.52	19,506.37
059G	Dodge Ram Quad Cab	2014	7	78,897	1,902.54	2,241.35	1,470.72	3,583.75	9,198.36

¹ Vehicle odometer reading in kilometres, June 2020

Unit	Make/Model	Year	Age	Odometer ¹	2017	2018	2019	2020	Total
096E	Dodge Ram Quad Cab	2014	7	191,584	\$4,604.26	\$3,295.14	\$9,665.03	\$3,710.02	\$21,274.45
100F	Dodge Ram Quad Cab	2014	7	182,158	2,364.82	3,540.92	6,903.65	1,770.38	14,579.77
208G	Dodge Ram Quad Cab	2014	7	291,208	1,772.05	4,054.00	5,022.64	2,991.50	13,840.19
722B	Dodge Ram Quad Cab	2014	7	123,670	2,025.82	2,166.11	2,865.41	5,569.89	12,627.23
725A	Dodge Ram Quad Cab	2014	7	137,673	445.94	3,100.36	2,392.27	26.25	5,964.82
152B	Nissan Frontier	2014	7	135,732	3,399.09	4,457.57	1,811.88	5,574.52	15,243.06
124E	Nissan NV 1 Ton	2014	7	145,311	2,028.97	2,290.57	2,519.19	982.37	7,821.10
025G	Dodge Ram 1500	2015	6	121,925	1,766.87	2,786.06	5,410.19	4,279.47	14,242.59
212H	Dodge Ram 1500	2015	6	189,605	1,648.96	3,116.58	6,806.69	3,907.49	15,479.72
291F	Dodge Ram 1500	2015	6	46,968	918.86	1,751.71	1,873.29	760.72	5,304.58
024D	Dodge Ram 1500 4x4	2015	6	111,790	1,917.54	883.47	1,524.48	854.04	5,179.53
030F	Dodge Ram Quad Cab	2015	6	216,064	1,951.78	11,312.77	6,581.68	68.22	19,914.45
054A	Dodge Ram Quad Cab	2015	6	173,181	821.65	5,077.53	4,110.83	1,770.23	11,780.24
278G	Ford F150	2015	6	81,778	820.39	2,473.58	1,130.38	247.08	4,671.43
065A	Nissan Frontier	2015	6	85,900	1,121.55	850.20	3,199.52	1,215.38	6,386.65
179F	Nissan Frontier	2015	6	134,247	576.38	4,191.52	2,079.40	345.11	7,192.41
249G	Nissan Frontier	2015	6	93,245	777.56	978.02	1,262.27	1,558.67	4,576.52
319G	Nissan Frontier	2015	6	100,629	849.62	1,882.17	3,600.47	6,407.48	12,739.74
351F	Nissan Frontier	2015	6	84,219	1,403.14	2,731.11	456.89	498.89	5,090.03
391F	Nissan Frontier	2015	6	140,543	2,474.17	3,669.37	1,529.55	1,104.19	8,777.28
294G	Toyota Rav 4	2015	6	119,564	808.25	1,560.10	1,438.39	981.52	4,788.26
310G	Toyota Rav 4	2015	6	134,821	1,292.72	693.84	2,178.94	1,387.87	5,553.37
130E	Chev Equinox LA AWD	2016	5	48,920	571.84	1,522.53	1,115.60	579.18	3,789.15
042H	Chev Express Cargo 25	2016	5	193,601	2,229.66	3,226.66	1,870.22	1,803.42	9,129.96
189G	Dodge Caravan	2016	5	50,360	685.35	1,516.75	1,356.62	635.06	4,193.78
316F	Dodge Caravan	2016	5	30,101	1,183.15	845.56	2,132.58	32.24	4,193.53
299H	Dodge Ram 1500 Quad Cab	2016	5	133,690	3,850.43	2,492.93	4,214.66	1,923.64	12,481.66
032F	Dodge Ram 1500 Sport 4x4	2016	5	106,168	2,392.69	3,470.78	2,727.71	2,021.74	10,612.92
089G	Dodge Ram 1500 ST	2016	5	154,621	2,109.43	2,567.14	6,833.39	1,573.37	13,083.33
149G	Dodge Ram 1500 ST	2016	5	105,096	1,249.44	4,374.75	3,864.67	7,017.54	16,506.40
260G	Dodge Ram 1500 ST	2016	5	156,967	563.13	1,679.03	4,470.21	1,591.59	8,303.96

Unit	Make/Model	Year	Age	Odometer¹	2017	2018	2019	2020	Total
344E	Dodge Ram 1500 ST	2016	5	112,346	\$1,475.72	\$1,399.15	\$1,794.57	\$1,662.50	\$6,331.94
379E	Dodge Ram 1500 ST	2016	5	78,473	771.37	1,652.14	1,888.58	1,687.00	5,999.09
038D	Dodge Ram Outdoorsman	2016	5	130,350	1,843.27	3,605.86	8,279.87	2,328.75	16,057.75
016F	Ford F150 4x4 Crew Cab	2016	5	113,251	945.52	977.50	2,068.80	3,864.24	7,856.06
167C	Ford F150 4x4 SL	2016	5	170,135	1,640.59	3,282.54	2,642.86	2,697.73	10,263.72
213D	Nissan Frontier King Cab	2016	5	86,342	694.55	2,408.94	1,621.47	2,884.07	7,609.03
241G	Nissan Frontier King Cab	2016	5	49,178	647.62	1,869.48	1,254.33	346.34	4,117.77
381F	Nissan Frontier King Cab	2016	5	213,365	1,296.18	3,975.92	3,407.24	8,837.86	17,517.20
387E	Nissan Frontier King Cab	2016	5	72,846	565.67	628.88	1,101.50	956.59	3,252.64
396E	Nissan Frontier King Cab	2016	5	38,171	389.62	231.53	1,036.50	3,288.86	4,946.51
717B	Nissan Frontier King Cab	2016	5	136,249	1,071.71	1,739.06	1,519.95	1,672.47	6,003.19
035F	Dodge Ram 1500 Quad Cab	2017	4	171,740	2,885.65	2,852.98	8,667.14	732.20	15,137.97
102D	Dodge Ram 1500 Quad Cab	2017	4	199,271	1,217.79	3,333.57	3,770.96	2,282.21	10,604.53
080G	Nissan Rogue	2017	4	190,952	7.50	1,437.34	2,578.14	2,026.13	6,049.11
176E	Nissan Rogue	2017	4	188,707	7.50	1,713.99	3,528.73	2,551.35	7,801.57
244H	Nissan Rogue	2017	4	141,385	125.99	1,170.47	2,279.28	3,435.88	7,011.62
Total					\$351,060.72	\$450,352.41	\$457,755.67	\$310,153.63	\$1,569,322.43