Q. (Reference CA-NP-046, CA-NP-049 and NLH-NP-001) NLH-NP-001 indicates that NP is considering options for deriving the data necessary to calculate risk mitigation or reliability improvement values as part of its ongoing asset management review.

a) Is the Asset Management Technology Replacement Project being undertaken in an effort to better meet the requirements set out in the Provisional Capital Budget Application Guidelines? Will it enable NP to derive the data necessary to calculate risk mitigation and reliability improvement values, and if so, when?

b) What customer benefits are expected from the Asset Management Technology Replacement Project and when can customers expect to start reaping those benefits?

A. Newfoundland Power notes that the response to Request for Information ("RFI") NLH-NP-001 does not indicate that the Company is considering options for deriving the data necessary to calculate risk mitigation or reliability improvement values as part of its ongoing asset management review. The response to RFI NLH-NP-001 states that Newfoundland Power's current prioritization methodology was developed based on a review of Canadian utility practice and complies with the spirit and intent of the Provisional Guidelines in the absence of the necessary data or software to provide calculations of risk mitigation.

a) As stated in the response to part b) of RFI CA-NP-049, the *Asset Management Technology Replacement* project is being undertaken in response to the end of vendor support for the current system.

The evolution of risk quantification and reliability improvement capabilities involves a series of incremental advancements including, but not limited to, increased data collection and incorporation of financial inputs. The *Asset Management Replacement Technology* project will allow the Company to continue to meet current requirements, while also providing a foundation for future enhancements as asset management practices evolve.

b) As stated in the response to RFI CA-NP-046, this project will ensure service continuity while delivering incremental improvements in asset management capabilities. Customers will derive benefits through the continued provision of reliable electricity delivered in a manner that is least cost and environmentally responsible.