

**IN THE MATTER OF** the *Electrical Power Control Act, 1994* (the “EPCA”) and the *Public Utilities Act, R.S.N. 1990, Chapter P-47* (the “Act”) and their subordinate regulations; and

**IN THE MATTER OF** an Application by Newfoundland and Labrador Hydro (“Hydro”) for approvals of: (1) Under Section 70 of the Act, changes in the rates to be charged for the Supply of power and energy to its Retail Customer, Newfoundland Power, its Rural Customers and its Industrial Customers; (2) Under Section 71 of the Act, its Rules and Regulations applicable to the supply of electricity to its Rural Customers; (3) Under Section 71 of the Act, the contracts setting out the terms and conditions applicable to the supply of electricity to its Industrial Customers; and (4) Under Section 41 of the Act, its 2002 Capital Budget.

**Supplementary Information Requests  
of the Industrial Customers**

**POOLE, ALTHOUSE,  
THOMPSON & THOMAS**  
Western Trust Building  
49-51 Park Street  
Corner Brook, NF  
A2H 6H7  
Solicitors for the  
Industrial Customers

**STEWART MCKELVEY  
STIRLING SCALES**  
Cabot Place  
100 New Gower Street  
St. John’s, NF  
A1C 5V3  
Solicitors for the  
Industrial Customers

IC 279.Re: Supplementary Evidence page 11

- a. Please provide NP's incremental revenues from increased sales to its customers, by class and by demand/energy rates;
- b. Please provide NP's forecast sales for 2002 by customer class;
- c. Please provide an estimate of the incremental revenues to NP from sales to its customers if sales in 2002 exceed the load forecast by 5% (i.e. due to a cold winter);
- d. Please provide an estimate of the incremental costs to NP for purchased power in 2002 if loads exceed the load forecast by 5% based on Hydro's proposed rates;
- e. Please explain in detail any additional costs, other than purchased power, for NP if sales exceed the load forecast by 5%;
- f. Please explain in detail how the above situation would be addressed by Hydro's RSP and by NP's rate stabilization mechanisms

## IC 280.Re: Supplementary Evidence page 2

Please provide information with regards to the approach to hydraulic forecasting used by other North American Hydro-based generation utilities. Please indicate which use 30 year rolling average forecasts versus 50 year forecasts (or the full available historic record) as the long-term average. Please indicate whether these utilities use all available data or whether they exclude earlier years of the available hydraulic forecasts. Please indicate which of these utilities use moving averages, and whether any weight the more recent years more than the earlier years. Please indicate whether any of these utilities adjust historical hydraulic numbers to reflect changes in the climate.

## IC 281.NP's peaking generation capacity - Supplementary Evidence Page 11

Please provide the costs to NP in 2002, broken out by O&M, return on ratebase and depreciation, for the peaking generation referred to in the response to NP-125 and NP-126. Please confirm that all fixed O&M, depreciation, and return on ratebase is recovered in the rates charged to NP's customers. Please confirm that all fuel and variable O&M is recovered from Hydro when NP is requested to operate the units. Please confirm that CA-173 shows all times that the units were run from 1996 to the

present; if not, please provide a full schedule showing all times the units were run, the reason for the units being run, and the reason these were not considered 'purchases of power' by Hydro. Please confirm that Hydro and NP forecast zero power purchases from NP's peaking generation in 2002.

DATED at St. John's, this 14<sup>th</sup> day of September, 2001.

STEWART MCKELVEY STIRLING SCALES

Per: \_\_\_\_\_  
Janet M. Henley Andrews

POOLE ALTHOUSE THOMPSON & THOMAS

Per: \_\_\_\_\_  
Joseph S. Hutchings

TO: G. Cheryl Blundon  
Director of Corporate Services and Board Secretary  
Board of Commissioners of Public Utilities  
Suite E210, Prince Charles Building  
120 Torbay Road  
P.O. Box 21040  
St. John's, NF  
AIA 5B2

TO: Maureen P. Greene, Q.C.  
Vice-President Human Resources, General Counsel & Corporate Secretary  
Newfoundland and Labrador Hydro  
Hydro Place, Columbus Drive  
P.O. Box 12400  
St. John's, NF  
A1B 4K7

TO: Gillian Butler, Q.C. and Peter Alteen  
Counsel to Newfoundland Power Inc.  
55 Kenmount Road  
P.O. Box 8910  
St. John's, NF  
A1B 3P6

TO: Dennis Browne, Q.C.  
Consumer Advocate  
c/o Browne Fitzgerald Morgan & Avis  
P.O. Box 23135  
Terrace on the Square, Level II  
St. John's, NF  
A1B 4J9

TO: Edward M. Hearn, Q.C.  
Miller & Hearn  
450 Avalon Drive  
P.O. Box 129  
Labrador City, NF  
A2V 1K7

TO: Mr. Dennis Peck  
Director of Economic Development  
Town of Happy Valley-Goose Bay  
P.O. Box 40, Station B  
Happy Valley-Goose Bay  
Labrador, NF  
A0P 1E0