

**IN THE MATTER OF** the  
*Public Utilities Act*, (the “*Act*”)

**AND,**

**IN THE MATTER OF** an Application by  
Newfoundland and Labrador Hydro for an Order pursuant to  
Sections 41, 78 and 80 of the *Act*:

- (a) approving its 2006 Capital Budget; and
- (b) fixing and determining its average rate base  
for 2004.

## **INFORMATION REQUESTS**

### **PUB 59 NLH**

*B-5 Island Pond Development*

*B-7 Portland Creek Development*

*B-9 Wind Generation Inventory Study*

In light of the recent developments involving the operation of the Stephenville and Grand Falls operations, and the revised projected energy deficits as per the response to PUB-1 NLH, can these projects be deferred?

If not, why not?

### **PUB 60 NLH**

*B-36 Replacement Paging System*

Please provide details on what alternative options NLH has reviewed. Include the comparative CPWs of each alternative option.

### **PUB 61 NLH**

*B-38 Replace Automatic Voltage Regulator*

Please provide details concerning the “problems” experienced with the unit at issue.

### **PUB 62 NLH**

*B-43 Upgrade Corner Brook Frequency*

Why does NLH have an obligation to Deer Lake Power to maintain the frequency converter?

### **PUB 63 NLH**

*B-43 Upgrade Corner Brook Frequency*

What impact will a failure of the frequency converter have on NLH, on Deer Lake Power, or on the Corner Brook paper mill?

### **PUB 64 NLH**

*B-43 Upgrade Corner Brook Frequency*

What alternatives to the upgrading of the frequency converter were explored by NLH?

**PUB 65 NLH***B-43 Upgrade Corner Brook Frequency*

Re: Tab H, Section 3 – Why is NLH's Stephenville office responsible for the maintenance of the frequency converter located in Corner Brook?

**PUB 66 NLH***B-49 Replace Insulators**B-72 Replace Insulators*

Provide average unit cost data for the replacement of the subject insulators for each of the fiscal years 2004 to 2006F inclusive.

**PUB 67 NLH***General – Unit Cost Data*

NLH was asked in PUB 17, PUB 18, PUB 19, PUB 20, and PUB 28 to provide unit cost data relevant to the respective project being examined. In each response NLH repeatedly asserts that the average cost data “may not be meaningful”.

Is it NLH's position that unit costs data is not useful in an analysis of capital expenditure programs? If so, explain why.

**PUB 68 NLH***B-65 Upgrade Distribution Feeders*

In response to PUB 17 NLH, the cost data for the upgrading of the St. Anthony distribution line varies from a low of \$7,181/Km to a high of \$89,344/Km.

Please provide an explanation of why there is such a large range for the unit cost.

**PUB 69 NLH***B-65 Upgrade Distribution Feeders*

Provide suggestions for how the unit cost data for this type of work can be normalized to allow for useful and meaningful comparison between capital budgets.

**PUB 70 NLH***B-68 Service Extensions*

Re: PUB 18 NLH

Provide unit costs data for 2001 to 2005F as follows:

- per new isolated Labrador customer,
- per new interconnected Labrador customer,
- per new Island isolated customer,
- per new Island interconnected customer.

**PUB 71 NLH***B-70 Upgrade Distribution Systems*

Ref: PUB 19 NLH

Does NLH intend, at some time in the future, to collect data related to:

- expenditures for each distribution line serviced;
- the length of the lines affected; and
- the average cost per kilometer of line?

**PUB 72 NLH***B-74 Replace Poles*

Does NLH expect to replace any of the electrical equipment (conductor, insulators etc.) on any of the subject poles?

If so, is the cost for the same included in the project budget?

**PUB 73 NLH**

*B-96 Corporate Application Environment*

Re: JDE ERP Technology, Showcase Strategy

How is the CF(L)Co/NLH split determined?

**PUB 74 NLH**

*B-96 Corporate Application Environment*

Does NLH require that CF(L)Co share in the cost of all maintenance of all shared IT resources, including the cost of any upgrades in hardware or software?

**PUB 75 NLH**

*Tab G – Plan of Projected Operating Maintenance Expenditures*

If, as NLH submits, it is not possible to “levelize” the cost of maintaining the Holyrood plant (see page G-4), comment on whether the capital expenditures should be averaged for the purposes of setting rates?

**PUB 76 NLH**

*Tab H, Section 2- Wood Pole Management Program*

To what “outage restrictions” (page unnumbered, reference last page before sample inspection sheet) is NLH referring?

**PUB 77 NLH**

*Tab H, Section 4 – Performance Target Methodology...Feeders*

Please explain what is meant by:

“Ultimately, the generation of feeder targets are mechanisms which will respond to the areas of optimum system performance and will be decreased to better that performance and thereby that of the system.” (page 5)

**PUB 78 NLH**

*Tab H, Section 7 – Application Enhancements 2006 Cost/Benefit Analysis*

Ref: Cap/M Software - NLH is projecting an annual cost savings of \$22,168, increasing by 15% per year, attributed to the elimination of maintenance fees related to the current software product being used. Please explain why a similar expense will not accompany the implementation of the new software.

**PUB 79 NLH**Tab H, Section 7 – Application Enhancements 2006 Cost/Benefit Analysis

Ref: Enhancements to Capital and Operating Process Applications - Please explain what is meant by:

“This project will identify and enhance existing applications currently used, aligning them to the redesigned process model, eliminating duplication of application functionality and introducing functionality necessary to insure the efficiency and effectiveness of the process.” (page unnumbered)

**PUB 80 NLH**Tab H, Section 7 – Application Enhancements 2006 Cost/Benefit Analysis

Ref: CPW Capital and Operating Processes Applications – Please explain how the projected annual savings used in the CPW of \$160,000 (increasing in subsequent years) were calculated.

**PUB 81 NLH**Tab H, Section 7 – Application Enhancements 2006 Cost/Benefit Analysis

How will these expected annual savings be achieved?

**PUB 82 NLH**Tab H, Section 7 – Application Enhancements 2006 Cost/Benefit Analysis

How will NLH monitor the project to ensure that the expected savings materialize?

**PUB 83 NLH**Tab H, Section 7 – Application Enhancements 2006 Cost/Benefit Analysis

Ref: ERP Reporting – Please explain how the projected annual savings used in the CPW of \$47,750 (increasing in subsequent years) were calculated.

**PUB 84 NLH**Tab H, Section 7 – Application Enhancements 2006 Cost/Benefit Analysis

How will these expected annual savings be achieved?

**PUB 85 NLH**Tab H, Section 7 – Application Enhancements 2006 Cost/Benefit Analysis

How will Hydro monitor the project to ensure that the expected savings materialize?

**DATED** at St. John's, Newfoundland this 28<sup>th</sup> day of September 2005.

**BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

Per

---

G. Cheryl Blundon  
Board Secretary