

IN THE MATTER OF the *Public Utilities Act*,
R.S.N.L. 1990, Chapter P-47 (the “Act”)

AND IN THE MATTER OF a General Rate Application (the “Application”) by Newfoundland and Labrador Hydro dated August 3, 2006 for approvals of, under Section 70 of the Act, changes in the rates to be charged for the supply of power and energy to Newfoundland Power, Rural Customers and Industrial Customers; and under Section 71 of the Act, changes in the Rules and Regulations applicable to the supply of electricity to Rural Customers

CONSUMER ADVOCATE’S INFORMATION REQUESTS

CA-219-NLH

**To: Board of Commissioners of Public Utilities
Suite E210, Prince Charles Building
120 Torbay Road
P.O. Box 12040
St. John’s, NL A1A 5B2
Attention: Ms. G. Cheryl Blundon,
Director of Corporate Services and Board Secretary**

CA-219-NLH In Hydro’s Request for Information to the PUB numbered NLH 32
PUB, Hydro asks in part (b) whether “Dr. Cannon’s recommendation
would be contrary to ratemaking principles which are based on test
year values.”

Please:

- (a) State whether it is Hydro's contention that Dr. Cannon's recommendation (as referenced in NLH 32 PUB) "would be contrary to ratemaking principles which are based on test year values."
- (b) If the answer to part (a) hereof is "yes", please specifically identify and fully define the ratemaking principles (with citations) which Hydro is referring to and which Hydro is contending that Dr. Cannon's recommendation is contrary to.
- (c) Fully and specifically explain how, in Hydro's contention, Dr. Cannon's recommendation is contrary to the principles as identified and defined in response to part (b) hereof.
- (d) Provide citations and relevant extracts of regulatory precedents, decisions, orders or treatises on which Hydro would rely for its contention that Dr. Cannon's recommendation is contrary to ratemaking principles which are based on test year values.
- (e) Fully explain by reference to the principles identified and defined in part (b) hereof, why not using the test year values for the cost of equity in Newfoundland Power's Automatic Adjustment Mechanism (or in the Mechanism proposed by Hydro) would not also be "contrary to ratemaking principles

which are based on test year values.”

DATED at St. John’s, in the Province of Newfoundland and Labrador, this ____ day of January, 2007.

CONSUMER ADVOCATE

Thomas Johnson

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P.O. Box 5955

St. John’s, NL A1C 5X4

cc: Newfoundland and Labrador Hydro
Attention: Ms. Gillian Butler, Q.C., & Mr. Geoffrey P. Young

Newfoundland Power
Attention: Mr. Ian Kelly, Q.C., & Mr. Peter Alteen

Industrial Customers
Attention: Mr. Paul L. Coxworthy & Mr. Joseph S. Hutchings