

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

IN THE MATTER OF a General Rate Application
(the “Application”) by Newfoundland and Labrador Hydro
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.

Requests for Information

From Newfoundland and Labrador Hydro

(2006 NLH GRA)

Newfoundland and Labrador Hydro, Applicant

November 14, 2006

Newfoundland and Labrador Hydro ("Hydro") 2006 General Rate Application

Requests for Information from Hydro To Industrial Customers

P. Bowman & A. McLaren

- NLH 33 IC Is integrated resource planning consistent or inconsistent with the supply of least cost electricity under Section 3 (b) (iii) of the Electrical Power Control Act (NL)?
- NLH 34 IC Re: Pages 17 - 19, and page 32, lines 12 - 14
Based on the consultant's knowledge of the experience in other jurisdictions, please provide:
- (a) A list of all likely participants in an integrated resource plan in this Province;
 - (b) A representative budget for Hydro's participation in a comprehensive integrated resource plan;
 - (c) A similar budget for the participation of all other necessary parties including, but not limited to, the Board and NP; and
 - (d) A time schedule for planning for, and completion of, such an IRP.
- NLH 35 IC Re: Page 32, lines 12 - 14
Please indicate the scope of the integrated resource plan considered appropriate for the Province of Newfoundland and Labrador with respect to:
- (a) Fuel substitution for competitive end use energy demands such as space and water heating;
 - (b) Environmental externalities; and
 - (c) Socio-environmental values.
- NLH 36 IC Re: Pages 39 – 42
- (a) Do Messrs. Bowman and McLaren believe that the correct least cost mix and utilization of energy resources will, more or less, prevail in an economy, where:
 - i. all pricing in the energy economy reflects marginal cost principles,
 - ii. information barriers are addressed, and
 - iii. externalities have been addressed, (for example incorporating the cost of atmospheric emissions through the use of economic instruments)?
 - (b) Why, or why not?

- NLH 37 IC In light of PU 14 (2004) pages 147 - 149 where the Board expressed its preference for a generic hearing on IRP involving both utilities and other interested parties, does the consultant agree that a generic hearing on this issue is most appropriate?
- NLH 38 IC Please confirm that Hydro's costs for participation in a comprehensive IRP have not been included in the 2007 test year.
- NLH 39 IC Would the consultant agree that proceeding with an integrated resource plan before the release of the Report would potentially pose the potential for:
- (a) Inconsistency, and/or
 - (b) Unnecessary expenditure/duplication of costs to the detriment of ratepayers?
- NLH 40 IC Re: Page 28, lines 6 – 9
Please confirm that Hydro cost-shared energy audits for the Island's newsprint mills in the early 1990s.
- NLH 41 IC Re: Page 28, lines 16 – 18
Should the amortization period for DSM reflect the uniqueness of any given initiative with respect to the duration of the expected savings that may materialize?