

HAND DELIVERED

October 19, 2006

Board of Commissioners
of Public Utilities
P.O. Box 21040
120 Torbay Road
St. John's, NL A1A 5B2

Attention: G. Cheryl Blundon
Director of Corporate Services
and Board Secretary

Ladies and Gentlemen:

Re: 2006 Newfoundland & Labrador Hydro General Rate Application

Please find enclosed the original and ten copies of Newfoundland Power's Requests for Information in relation to the 2006 Hydro General Rate Application.

For convenience, the Requests for Information are provided on three-hole punched paper.

A copy of this letter, together with enclosures, has been forwarded directly to the parties listed below. An electronic copy in Adobe format will follow.

If you have any questions regarding the enclosed, please contact the undersigned at your convenience.

Yours very truly,

Peter Alteen
Vice President, Regulatory Affairs
& General Counsel

Encl.



Join us in the fight against cancer.

- c. Gillian Butler, Q.C., & Geoffrey Young
Newfoundland & Labrador Hydro

Thomas Johnson
O'Dea Earle Law Offices

Joseph Hutchings, Q.C.
Poole Althouse

Paul Coxworthy
Stewart McKelvey



Join us in the fight against cancer.

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 by
Newfoundland Power Inc.**

October 19, 2006

**Requests for Information
2006 Hydro General Rate Application**

NP-146 NLH Provide updates for the 2006 and 2007 forecast columns to Tables 1 and 2 and Schedule I, pages 1, 2, 4 and 6 of the Finance and Accounting Evidence for the revision related to Interest Earned. (NP-29)

NP-147 NLH (a) Please complete the following tables pertaining to CF(L) Co. Share Purchase Debt:

Table 1(A)

	2005	2006	2007
Debt balance, beginning of the year	•	•	•
Plus/Minus:			
Preferred and common share dividends paid to Hydro	•	•	•
Dividends paid by Hydro to the province	•	•	•
Other (itemize and explain)	•	•	•
Debt balance, end of the year	<u>\$ •</u>	<u>\$ 19.4</u>	<u>\$ 16.6</u>

Table 1(B)

	2005	2006	2007
Average debt balance, Table 1(A)	•	•	•
Plus/Minus: adjustments (itemize and explain)	•	•	•
Equals: average debt balance for calculation of interest	•	•	•
Multiply by: interest rate	•	•	•
Equals: CF(L) Co. Share Purchase Debt interest	<u>\$ •</u>	<u>\$ •</u>	<u>\$ 1.2</u>

Table 1 (C)

Provide the calculation of the interest rates shown in Table 1(B).

**Requests for Information
2006 Hydro General Rate Application**

NP-147 NLH (b) Please complete the following tables pertaining to Recall Power:

Table 2(A)

	2005	2006	2007
Balance, beginning of the year	•	•	•
Plus/Minus:			
Export sales of recall power	•	•	•
Related purchased power costs	•	•	•
Dividends paid to the province	•	•	•
Other (itemize and explain)	•	•	•
Balance, end of the year	<u>\$ •</u>	<u>\$ 43.6</u>	<u>\$ 54.3</u>

Table 2(B)

	2005	2006	2007
Average balance, Table 2(A)	•	•	•
Plus/Minus: adjustments (itemize and explain)	•	•	•
Equals: average debt balance for calculation of interest	•	•	•
Multiply by: interest rate	•	•	•
Equals: Recall Power interest	<u>\$ •</u>	<u>\$ •</u>	<u>\$ 3.8</u>

Table 2 (C)

Provide the calculation of the interest rates shown in Table 2 (B).

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NP-147 NLH (c) Please complete the following tables pertaining to the Lower Churchill debt:

Table 3 (A)

	2005	2006	2007
Debt balance, beginning of the year	•	•	•
Plus/Minus:			
Costs incurred	•	•	•
Financing costs	•	•	•
Other (itemize and explain)	•	•	•
Debt balance, end of the year	<u>\$ •</u>	<u>\$ 95.1</u>	<u>\$154.8</u>

Table 3 (B)

Provide the calculation of the financing costs shown in Table 3(A), showing the interest rates used, and on a monthly basis.

Table 3 (C)

Provide the calculation of the interest rates shown in Table 3 (B).

NP-148 NLH Quantify the savings reflected in the 2006 and 2007 forecasts related to the fleet review and rationalization project in 2003 for both on-road and off-road vehicles. (CA-157)

NP-149 NLH Provide the economic analysis completed that supports Hydro's decision to prepay the Government of Canada Debt originally due on March 31, 2014. (IC-166)

NP-150 NLH Provide a detailed breakdown of the professional services provided in 2005 by Gartner Canada. What are the amounts included in the 2006 and 2007 forecasts for this firm? (Grant Thornton – 2005 Annual Financial Review of Hydro)

Requests for Information
2006 Hydro General Rate Application

- NP-151 NLH Provide a revised 2007 test year cost forecast for No. 6 fuel based on the most recent PIRA forecast filed in NP-112 NLH accompanied by a computational comparison (i.e., fuel cost per barrel in \$US, currency conversion rate, discount rate, fuel cost per barrel in \$CDN) with the 2007 test year forecast for No. 6 fuel provided in the original filing.
- NP-152 NLH Provide a comparison of the exchange rate used in estimating the fuel price forecast for 2007 in NP-112 NLH with exchange rate used in the fuel price forecast in Hydro's original filing and estimate the impact on No. 6 fuel costs and No. 2 fuel costs for 2007 based on the change in the forecast exchange rates.
- NP-153 NLH Provide a revised 2007 test year cost forecast for No. 2 fuel and other (excluding No. 6 fuel) based on the most recent PIRA forecast accompanied by a comparison with the 2007 test year forecast for No. 2 fuel provided in the original filing. (NP-112)
- NP-154 NLH Provide the transmission energy losses as a per cent of total energy deliveries by year for the period 2004 to 2007. (Schedule III, J.R. Haynes)
- NP-155 NLH Provide an explanation for the increased transmission energy losses as a per cent of deliveries for the period 2004 to 2006. (Schedule III, J.R. Haynes)
- NP-156 NLH Provide the basis for the forecast transmission energy losses for the 2007 test year.
- NP-157 NLH Provide the impact on revenue requirement if transmission energy losses for 2007 test year were set to equal the transmission energy losses as a percent of deliveries for 2005.
- NP-158 NLH Based on the frequency distribution presented, what percentage of data points are greater than the 2007 forecast hydraulic production and what percentage of the data points are lower than the 2007 forecast hydraulic production? (NP-122 NLH)
- NP-159 NLH What is the mean, median and mode for the data points provided in the frequency distribution? (NP-122 NLH)