

NEWFOUNDLAND AND LABRADOR

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Newfoundland and Labrador

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

HEAD OFFICE

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2006 12 22

Newfoundland and Labrador Hydro P. O. Box 12400 St. John's, NL A1B 4K7

Attention: Geoffrey P. Young

Senior Legal Counsel

Dear Sir:

RE: Application for approval of Newfoundland and Labrador Hydro's

2006 General Rate Application

Attached are Information Requests (RFI's) PUB 23.0 NLH to PUB 31.0 NLH regarding the above noted application.

As the attached RFI's are in relation to the agreements of the parties the answers should either be signed by all of the parties or be filed with commentary from each of the parties in relation to all the issues raised in the RFI's.

If you have any questions, please do not hesitate to contact Ms. Doreen Dray at 726-3037 or at ddray@pub.nl.ca

Yours truly,

G. Cheryl Blundon Director of Corporate Services

and Board Secretary

Attachment

Newfoundland Power Inc., Peter Alteen, E-mail: palteen@newfoundlandpower.com c.c. **Industrial Customers:**

Joseph S. Hutchings, Q.C., Poole Althouse, E-mail: jhutchings@pa-law.ca

Paul L. Coxworthy, Stewart McKelvey Stirling Scales, E-mail: pcoxworthy@smss.com

Consumer Advocate, Thomas Johnson, E-mail: tjohnson@odeaearle.nf.ca

1 IN THE MATTER OF the Electrical Power 2 Control Act, SNL 1994, Chapter E-5.1 3 (the "EPCA") and the matter of the Public 4 Utilities Act RSNL 1990, Chapter P-47 5 (the "Act");

AND

IN THE MATTER OF an application by Newfoundland and Labrador Hydro for approval of, *inter alia*, rates to be charged its customers (the "*Application*").

INFORMATION REQUESTS

Natuashish PUB 23 NLH

The agreement says "The parties consent to Hydro deferring the recovery of any costs incurred by Hydro in providing service to Natuashish until the matter is dealth with by the Board on a subsequent application by Hydro." Is it intended that it is agreed that the amount is to be recovered by Hydro with the manner of disposition to be addressed later or that the determination of whether there should be recovery is also to be determined by the Board later?

Capital budget reduction

PUB 24 NLH

Please explain the operation of the 5% reduction in the capital budget for each of 2006 and 2007 setting out for each year what amount is being reduced and how supplemental projects and variances will be affected. The explanation should also address overall impacts of this reduction including what the impacts are on actual capital spending, rate base, depreciation, financing and reporting.

Severability PUB 25 NLH

Would the agreements fail if the Board determines that they should be read to require that: a) the framework and process for the negotiations, reviews, technical conferences and other procedures contemplated in the agreements must first be approved by the Board; and b) these procedures may involve the participation of the Board, at its discretion?

2 Rate and other Impacts of the Settlement 1 2 PUB 26 NLH 3 4 Please set out in detail indicating the corrections and updates the effect on the test year revenue 5 requirement and the effect on the forecast return on rate base for the test year that can be 6 attributed directly to the updating of forecasts and the correction of errors. 7 8 **PUB 27 NLH** 9 10 Please set out in detail indicating the corrections and updates the effect on the test year revenue 11 requirement and the effect on the forecast return on rate base for the test year that can be 12 attributed directly to reasons other than the updating of forecasts and the correction of errors. 13 14 PUB 28 NLH 15 16 Please set out in detail the average effect on rates for the test year for each rate group that can be 17 attributed directly to the updating of forecasts and the correction of errors. 18 19 20 PUB 29 NLH 21 22 Please set out in detail the average effect on rates for the test year for each rate group that can be 23 attributed to reasons other than the updating of forecasts and the correction of errors. 24 25 26 PUB 30 NLH 27 28 Assuming that there will be no General Rate Application in the period from 2008 to 2011, please 29 provide a table summarizing the average percentage rate changes in base rates that are expected 30 to occur for each rate group and class within each group for that period. 31 32 **PUB 31 NLH** 33 34 What parameters were used as guidelines in setting rates for the Labrador Interconnected System

DATED at St. John's, Newfoundland this 22nd day of December 2006.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per

G. Cheryl Blundon Board Secretary

Cheryl Blundon

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for 2008-2011?