

1 **IN THE MATTER OF** the  
2 *Public Utilities Act*, (the “*Act*”); and  
3

4 **IN THE MATTER OF** capital expenditures  
5 and rate base of Newfoundland Power Inc.; and  
6

7 **IN THE MATTER OF** an Application by  
8 Newfoundland Power Inc. for an Order pursuant to  
9 Sections 41 and 78 of the *Act*:

- 10  
11 (a) approving its 2007 Capital Budget of \$62,166,000;  
12 and  
13 (b) fixing and determining its average rate base  
14 for 2005 in the amount of \$745,446,000.  
15  
16

## 17 INFORMATION REQUESTS 18

### 19 **GENERATION - HYDRO** 20

#### 21 **Rattling Brook Hydro Plant Refurbishment (Clustered) - \$18,242,000** 22

23 **PUB 1.0 NP** In other projects where woodstave penstocks have been replaced, either within  
24 Newfoundland Power Inc. service territory or in other jurisdictions, have there  
25 been follow-up reports that provide an evaluation of the actual state of the  
26 penstock that has been replaced? If so, please provide these reports.  
27

28 **PUB 2.0 NP** Is there an objective test or measure of the condition of the condition of the  
29 woodstave penstock that can be done?  
30

31 **PUB 3.0 NP** Can the replacement of the penstock reasonably be put off until 2008 or later?  
32 Why or Why not?  
33

34 **PUB 4.0 NP** Please provide a general comparison of the costs that would be incurred in the  
35 event of a catastrophic failure of the penstock and the subsequent  
36 repair/replacement with the replacement of the penstock in a planned and orderly  
37 manner.  
38

39 **PUB 5.0 NP** Since the incremental cost of replacement energy that would be incurred in the  
40 event of a catastrophic failure would not have been included in test year costs,  
41 how would Newfoundland Power Inc. plan to deal with such additional costs?  
42

43 **PUB 6.0 NP** What are the probabilities of a catastrophic loss if the penstock is not replaced in  
44 the next 1, 2,3,4, or 5 years?

- 1 **PUB 7.0 NP** Aside from catastrophic loss, detail potential consequences of delaying the  
2 replacement of the penstock, including the referenced operational difficulties and  
3 increasing maintenance, as well as any safety and environmental concerns, setting  
4 out the probabilities associated with each.  
5
- 6 **PUB 8.0 NP** If it was decided that the replacement of the penstock should be deferred until  
7 2008, what remaining aspects of the proposals require urgent attention in 2007?  
8 Identify among the remaining aspects any that can be deferred until 2008, 2009 or  
9 2010.  
10
- 11 **PUB 9.0 NP** Provide a cost benefit analysis that allows the urgent requirements to be dealt with  
12 in 2007 and delays the remaining until 2008, 2009 or 2010, depending on the  
13 attention required. Include the costs that will be incurred, as well as the  
14 opportunity costs of delaying the expansion of the capacity.  
15
- 16 **PUB 10.0 NP** Provide for the last five years:  
17 1. The particulars of maintenance costs in relation to this plant, with details in  
18 relation to the penstock and the surge tank,  
19 2. Maintenance logs,  
20 3. Inspection reports/assessments, and  
21 4. Outage reports with reasons.  
22
- 23 **PUB 11.0 NP** Has the condition of the penstock deteriorated in the last five years? Provide  
24 details.  
25
- 26 **PUB 12.0 NP** Are there particular areas of the woodstave penstock that are significantly more  
27 deteriorated than other areas or is the penstock deterioration relatively even? If  
28 there are particular areas of concern why could these areas not simply be patched?  
29
- 30 **PUB 13.0 NP** Provide for the last five years details of problems that have been experienced with  
31 regard to dewatering either sections of the penstock or the entire penstock.  
32
- 33 **PUB 14.0 NP** For each of the past five years provide, if possible, the incremental cost that has  
34 been incurred as a result of restrictions on this plant due to maintenance: ie lost  
35 production due to dewatering of the penstock, or lost water due to spillage or  
36 leakage. If actual figures cannot be obtained, is it possible to estimate this cost by  
37 using downtime and available data?  
38
- 39 **PUB 15.0 NP** Is the penstock in a condition that would reasonably allow dewatering, in whole  
40 or part, for a short or extended period?

1 **PUB 16.0 NP** What conditions would require that the penstock be dewatered in whole or part,  
 2 for a short or extended period? What is the likelihood of this being necessary?  
 3

4 **PUB 17.0 NP Rebuild Transmission Lines (Pooled), \$4,283,000**, p. 14 of 65

5 According to the list of rebuilds included in the 2007 Capital Budget there appears  
 6 to have been changes made to the *Transmission Line Rebuild Strategy* that was  
 7 filed with the Board with the 2006 Capital Budget Application. Please provide an  
 8 updated rebuild strategy.  
 9

10 **PUB 18.0 NP Meters (Pooled), \$1,100,000**, p. 19 of 65

11 Although the average cost of meters has decreased considerably since 2002, the  
 12 average cost included in the 2007 Capital Budget is \$120, or 51.9% higher than  
 13 the anticipated average cost in 2006. Please provide an explanation of this  
 14 variance.  
 15

16 **PUB 19.0 NP Transformers (Pooled), \$5,728,000**, p. 28 of 65

17 Please provide for each year from 2002 to 2007B the average cost per  
 18 transformer.  
 19

20 **PUB 20.0 NP Relocate/Replace Distribution Lines for Third Parties (Pooled), \$541,000**, p.  
 21 35 of 65

22 Does this classification include all capital projects undertaken as a result of  
 23 CIACs? If not, please explain the variance between the original budget for 2006  
 24 of \$685,000 and the current forecast for 2006 of \$1,640,000.  
 25

26 **PUB 21.0 NP Distribution Reliability Initiative (Pooled)**

27 Please provide an updated report on the Distribution Reliability Initiative that was  
 28 filed with the Board with the 2006 Capital Budget.  
 29

30 **PUB 22.0 NP Application Enhancements (Pooled), \$1,281,000**, p. 53 of 65

31 Has NP undertaken a review of the Asset Management System with regard to  
 32 current performance, costs, and plans for the future? If so, please provide a report  
 33 to the Board.  
 34

35 **DATED** at St. John's, Newfoundland this 12<sup>th</sup> day of July 2006.  
 36  
 37

38 **BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**  
 39

40  
 41 Per \_\_\_\_\_

42 G. Cheryl Blundon  
 43 Board Secretary