

# The Consumer Advocate

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December 11, 2018

## Via Courier

Board of Commissions of Public Utilities  
120 Torbay Road, P.O. Box 2140  
St. John's, NL A1A 5B2

Attention: **G. Cheryl Blundon, Director of  
Corporate Services / Board Secretary**

Dear Ms. Blundon:

**RE: Newfoundland and Labrador Hydro - 2017 General Rate Application  
Requests for Information**

Further to the above-captioned, as per directions received from the Board, enclosed please find the original and thirteen (13) copies of the Consumer Advocate's Requests for Information numbered CA-NLH-333 to CA-NLH-341.

These enclosed Requests are to replace the RFIs forwarded to the parties on December 10, 2018, as the same had been incorrectly numbered CA-NLH-015 to CA-NLH-23, which numbers relate to a different application.

Yours truly,



**Stephen Fitzgerald  
Counsel for the Consumer Advocate**

Encl.  
/bb

cc **Newfoundland & Labrador Hydro**  
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**Communities of Sheshatshiu, Happy Valley-Goose Bay  
Wabush and Labrador City**  
Senwung Luk ([sluk@oktlaw.com](mailto:sluk@oktlaw.com))

**IN THE MATTER OF**

the *Electrical Power Control Act, 1994*  
SNL 1994, Chapter E-5.1 (the “*EPCA*”)  
and the *Public Utilities Act, RSNL 1990*,  
Chapter P-47 (the “*Act*”), as amended; and

**IN THE MATTER OF** a General Rate  
Application by Newfoundland and Labrador  
Hydro to establish customer electricity rates  
for 2018 and 2019; and

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**CONSUMER ADVOCATE  
REQUESTS FOR INFORMATION**

**CA-NLH-333 to CA-NLH-341**

**Issued: December 10, 2018**

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- 1 CA-NLH-333 (2018 Cost Deferral and Interim Rates Application, Revision 2) Paragraph  
2 18 of the Application states “*Hydro is now projecting that the LIL will be*  
3 *capable of transferring 110 MW at a forced outage rate of 30% for 2019.*”  
4 Has there been any change in this projection?  
5
- 6 CA-NLH-334 (2018 Cost Deferral and Interim Rates Application, Revision 2) Paragraph  
7 20 of the Application states “*The recovery of the balance in the Revised*  
8 *Energy Supply Cost Variance Deferral Account is subject to a further order*  
9 *of the Board, originally included in Hydro’s March 22, 2018 filing in*  
10 *compliance with Order No. P.U. 2(2018), has been amended to clearly*  
11 *indicate that the O&M Costs for the LIL and the LTA will not be charged*  
12 *to this account.*” Do the rates included in the Application reflect Hydro’s  
13 best estimate of its cost to supply Island customers? Is it Hydro’s  
14 expectation that the funds accumulating in the Revised Energy Supply Cost  
15 Variance Deferral Account will be close to zero at the end of 2019 and  
16 beyond, and that there is an equal probability that rates will under- or over-  
17 collect revenues in the 2019 Test Year and beyond?  
18
- 19 CA-NLH-335 (2018 Cost Deferral and Interim Rates Application) Please provide a table  
20 listing each deferral account in 2019 and beyond, as appropriate, for Island  
21 customers. Please identify the name of the deferral account, specify whether  
22 it is approved or proposed, and show the forecast impact on rates in  
23 cents/kWh in each year.  
24
- 25 CA-NLH-336 (2018 Cost Deferral and Interim Rates Application, Revision 2) Paragraph  
26 29 of the Application states “*The sale of the frequency converter to Corner*  
27 *Brook Pulp and Paper (CBPP) was approved by the Board in Order No*  
28 *P.U. 26(2018).* Please quantify the impact on the rates of each Island  
29 customer class resulting from the sale of the frequency converter to CBPP.

- 1 CA-NLH-337 (2018 Cost Deferral Evidence, CA-NLH-5) The response to CA-NLH-5  
2 states “*Hydro’s forecast assumes that testing of the Labrador-Island Link*  
3 *(“LIL”) will begin on December 1, 2018. This testing is forecast to result*  
4 *in energy deliveries over the LIL during this time.” Did testing in fact begin*  
5 *on December 1, 2018 and if so, how much energy in kWh has been*  
6 *delivered to the Island over the LIL since December 1, 2018? Is this*  
7 *consistent with projections in the Application?*  
8
- 9 CA-NLH-338 (2018 Cost Deferral Evidence, CA-NLH-4) The response to CA-NLH-4  
10 states with reference to the LIL “*The HVdc control equipment software*  
11 *issues have not yet been resolved.” Have the software issues now been*  
12 *resolved?*  
13
- 14 CA-NLH-339 (2018 Cost Deferral Evidence, Revision 2, Schedule 1) If projections have  
15 changed with respect to LIL in-service date and off-island purchases, please  
16 provide updates of Table 1 (page 7 of 81), Table 2 (page 8 of 81), Table 3  
17 (page 10 of 81), and Table 7 (page 19 of 81) based on the updated  
18 projections.  
19
- 20 CA-NLH-340 (2018 Cost Deferral and Interim Rates Application, CA-NLH-9,  
21 Attachment 1, page 2 of 2) It is stated “*Hydro will develop an appropriate*  
22 *review process to ensure activities carried out by Nalcor Energy Marketing*  
23 *on Hydro’s behalf are to the benefit of Hydro’s customers. Hydro will work*  
24 *with the Board to develop appropriate reporting mechanisms around the*  
25 *same.” What is the status of this work?*  
26
- 27 CA-NLH-341 Does Hydro have enough resources to meet the 2018/19 winter demand at  
28 adequate levels of reliability? Please provide the latest demand/supply  
29 report for the 2018/19 winter on the Island system.

**DATED** at St. John's, Newfoundland and Labrador, this 10<sup>th</sup> day of December, 2018.

Per:   
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