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December 11, 2017

**Via Email & Courier**

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

**Attention: Ms. Cheryl Blundon**  
**Director of Corporate Services & Board Secretary**

Dear Ms. Blundon:

**Re: 2017 General Rate Application – Requests for Information on Expert Reports**  
**NLH-LAB-001 – NLH-LAB-008**

Please find enclosed the original and thirteen (13) copies of Hydro's Requests for Information NLH-LAB-001 to NLH-LAB-008 in relation to the above noted Application.

If you have any questions, please contact the undersigned.

Yours truly,

**NEWFOUNDLAND AND LABRADOR HYDRO**

Tracey L. Pennell  
Senior Counsel, Regulatory  
TLP/skc

Encl.

cc: Gerard Hayes - Newfoundland Power  
Paul Coxworthy - Stewart McKelvey Stirling Scales  
Denis J. Fleming - Cox & Palmer

Dennis Browne, Q.C. - Consumer Advocate  
Dean Porter - Poole Althouse

ecc: Van Alexopoulos - Iron Ore Company  
Senwung Luk - Labrador Interconnected Group

Benoît Pepin - Rio Tinto

**IN THE MATTER OF** the *Electrical Power Control Act, 1994*, SNL 1994, Chapter E-5.1 and the *Public Utilities Act, RSN 1990*, Chapter P-47 (the Act);

**AND IN THE MATTER OF** a General Rate Application (the Application) by Newfoundland and Labrador Hydro to establish customer electricity rates for 2018 and 2019.

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**NEWFOUNDLAND AND LABRADOR HYDRO**

**Requests for Information**

**NLH-LAB-001 to NLH-LAB-008**

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**NLH-LAB-001** RE: Pre-Filed Testimony of the Helios Centre (Mr. Raphals), page 2, section 1.2.

“Media reports reveal that data centers are being established in Labrador for bitcoin mining, one of which has received \$1 million of federal and provincial support. It is unclear, however, whether the existing fibre optic network could support the data center expansion described in the load forecasts.”

Please confirm that fibre optic capacity is a defining requirement for the location of a data centre, specifically the data centres requesting service in Labrador. Further, please provide the support for such a statement.

**NLH-LAB-002** RE: Pre-Filed Testimony of the Helios Centre (Mr. Raphals), page 2, section 1.2

“Given the magnitude of the rate impacts should construction of the LWTL be triggered by these loads, there is an urgent need for a detailed report to be presented to the Board on prospective data center loads in Labrador, so that the Board can provide guidance to Hydro, if appropriate, with respect to the signing of additional data center power contracts or service agreements.”

Given Hydro’s statutory obligation to supply electrical energy upon the terms and conditions that the Board may consider appropriate, please provide and explain the factors that Helios consider relevant to relieve Hydro of this statutory obligation to provide service to a particular customer, such as a data centre, in Labrador?

**NLH-LAB-003** Further to NLH-LAB-002, if Hydro was relieved of the statutory duty to supply service in relation to a new customer, such as a data centre, in Labrador, would Hydro then also be relieved of the statutory duty to supply other new (non-data centre) customers in Labrador? If not, why not?

**NLH-LAB-004** Re: Pre-Filed Testimony of the Helios Centre (Mr. Raphals), page 2, Section 1.3  
Labrador Industrial Transmission Rate:

“Hydro’s current network addition policy is inadequate to address situations such as the one described above, as it classifies as common all assets that serve more than a single customer. As noted in our testimony in the hearing on the 2013 Amended GRA, the existing LITR should be modified to include a network addition policy that reflects FERC policy, which is designed to protect existing transmission customers from excess costs resulting from network upgrades that are needed in order to provide service to new users. If the expected new data centers in Labrador are not classified as industrial users and so do not take service under the LITR, it is important that a similar policy be adopted for general service customers as well.”

Please provide examples of other jurisdictions with a network addition policy similar to that recommended by Mr. Raphals for distribution level customers.

**NLH-LAB-005** Further to NLH-LAB-004, is Mr. Raphals suggesting that FERC standards for network policy additions apply to Hydro's general service customers served from Hydro's distribution systems, including additions to isolated diesel systems that are driven by customer load increases? Please provide an explanation to support the answer.

**NLH-LAB-006** Re: Pre-Filed Testimony of the Helios Centre (Mr. Raphals), page 13, Section 3.2 Data Centres:

*"GND is a company based in St. John's which "has secured contracts providing us with green hydroelectricity at one of the lowest prices globally"<sup>30</sup>."*

Does Mr. Raphals agree with Great North Data's statement that the electricity prices for the Labrador Interconnected System are among "the lowest prices globally?" Please provide an explanation to support the answer.

**NLH-LAB-007** Re: Pre-Filed Testimony of the Helios Centre (Mr. Raphals), page 15 and 16, Section 3.2:

Does Mr. Raphals believe that his suggestion of requiring peak load curtailment to be a condition of service be adopted by Hydro for any industrial or general service customer load additions that will create capacity constraints on any of Hydro's electricity systems? Please provide an explanation to support the answer.

**NLH-LAB-008** Re: Pre-Filed Testimony of the Helios Centre (Mr. Raphals), page 28, section 4: Hydro has not explained its choice of the System Operator model, as opposed to the much simpler model of a functionally separate transmission operator within an integrated utility. It would be helpful if Hydro were to share with the Board and the interested parties a roadmap encompassing all the structural changes it intends to undertake, to allow reasoned consideration of the best path forward.

Please explain why a functionally separate transmission operator model within an integrated utility would be a simpler model than the model chosen by Hydro?

**DATED** at St. John's, in the Province of Newfoundland and Labrador this 11<sup>th</sup> day of December, 2017.



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