

WHENEVER. WHEREVER.
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HAND DELIVERED

December 10, 2018

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: Newfoundland and Labrador Hydro – 2017 General Rate Application – Requests for Information

Please find enclosed the original and 13 copies of Newfoundland Power's Requests for Information NP-NLH-338 to NP-NLH-346 in relation to the above noted 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.

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

Yours very truly,

A handwritten signature in black ink, appearing to read "Gerard Hayes".

Gerard Hayes
Senior Counsel

Enclosures

c. Geoffrey Young
Newfoundland and Labrador Hydro

Dennis Browne, QC
Browne Fitzgerald Morgan & Avis

Paul Coxworthy
Stewart McKelvey

Van Alexopoulos
Iron Ore Company of Canada

Senwung Luk
Olthuis, Kleer, Townshend LLP

Newfoundland Power Inc.

55 Kenmount Road • P.O. Box 8910 • St. John's, NL A1B 3P6
PHONE (709) 737-5609 • FAX (709) 737-2974 • ghayes@newfoundlandpower.com

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.

**Requests for Information by
Newfoundland Power Inc.**

NP-NLH-338 to NP-NLH-346

December 10, 2018

Requests for Information

Reference: **Evidence on Customer Rates, Revision 2 – November 14, 2018, Schedule 1, Page 3 of 81, Lines 26-27.**

NP-NLH-338 On Page 3 of 81, at Lines 26-27 it states:

“On October 2, 2018, the Board directed that Hydro file, by October 26, 2018, an update reflecting both the revised forecast of off-island purchases and the updated fuel price forecast...”

Please provide an update to Schedule 3-V and Schedule 3-VI of the 2017 General Rate Application Evidence, as filed on July 28, 2017, reflecting both the revised forecast of off-island purchases and the updated fuel price forecast. In the updated Schedule 3-VI, please provide a breakdown of the Off-Island Purchases as broken down in *Table 1: Expected Supply from Off-Island Purchases (GWh)* on Page 7 of 81 of Evidence on Customer Rates, Revision 2, November 14, 2018.

Reference: **Evidence on Customer Rates, Revision 2 – November 14, 2018, Schedule 1, Page 3 of 81, Lines 26-27.**

NP-NLH-339 On Page 3 of 81, at Lines 26-27 it states:

“On October 2, 2018, the Board directed that Hydro file, by October 26, 2018, an update reflecting both the revised forecast of off-island purchases and the updated fuel price forecast...”

In tabular format, please provide a side-by-side comparison of: (i) the 2018 and 2019 Test Year data provided in the updated Schedule 3-V requested in Request for Information NP-NLH-338; and (ii) the 2018 and 2019 Test Year data provided in Schedule 3-V as filed on July 28, 2017. Below the table, please provide supporting calculations and detailed explanations of the changes between the original filing and the requested update.

Reference: **Evidence on Customer Rates, Revision 2 – November 14, 2018, Schedule 1, Page 3 of 81, Lines 26-27.**

NP-NLH-340 On Page 3 of 81, at Lines 26-27 it states:

“On October 2, 2018, the Board directed that Hydro file, by October 26, 2018, an update reflecting both the revised forecast of off-island purchases and the updated fuel price forecast...”

In tabular format, please provide a side-by-side comparison of: (i) the 2018 and 2019 Test Year data provided in the updated Schedule 3-VI requested in Request for Information NP-NLH-338; and (ii) the 2018 and 2019 Test Year data provided in Schedule 3-VI as filed on July 28, 2017. Below the table, please provide supporting calculations and detailed explanations of the changes between the original filing and the requested update.

Reference: **Evidence on Customer Rates, Revision 2 – November 14, 2018, Schedule 1, Page 10 of 81, Table 3: Projected Net Savings from Off-Island Purchases (\$000s).**

NP-NLH-341 Please provide a reconciliation of any difference between the No. 6 Fuel Savings shown in *Table 3: Projected Net Savings from Off-Island Purchases* and the savings reflected in the comparison of the original and updated No. 6 Fuel Production Cost requested in Request for Information NP-NLH-339. In the response, please describe why it is appropriate to describe the net savings from off-island purchases in terms of No. 6 Fuel Savings and not include savings in Gas Turbine/ Diesel Production Cost.

Reference: **Evidence on Customer Rates, Revision 2 – November 14, 2018, Schedule 1, Page 8 of 81, Table 2: Projected Cost of Supply from Off-Island Purchases (\$000s)**

NP-NLH-342 Please provide a reconciliation of any differences between the 2018 and 2019 Total figures shown in *Table 2: Projected Cost of Supply from Off-Island Purchases* and the changes in energy purchase costs reflected in the comparison of the original and updated Energy Purchases by Suppliers requested in Request for Information NP-NLH-340.

- Reference:** **Evidence on Customer Rates, Revision 2 – November 14, 2018, Schedule 1, Page 27 of 81, Appendix C - 2018 Test Year Cost of Service Study Summary, 2018 Expected Supply Test Year Cost of Service Study – October 26, 2018 Forecast, Total System Revenue Requirement.**
- NP-NLH-343 Please reconcile the Island Interconnected Power Purchases – Off Island (Line 9, Column 3 of the referenced Schedule) amount of \$7,706,759 to the 2018 costs shown in *Table 2: Projected Cost of Supply from Off-Island Purchases*, Evidence on Customer Rates, Revision 2 – November 14, 2018, Page 8 of 81.
- Reference:** **Evidence on Customer Rates, Revision 2 – November 14, 2018, Schedule 1, Page 37 of 81, Appendix D - 2019 Test Year Cost of Service Study Summary, 2019 Expected Supply Test Year Cost of Service Study – October 26, 2018 Update, Total System Revenue Requirement.**
- NP-NLH-344 Please reconcile the Island Interconnected Power Purchases – Off Island (Line 9, Column 3 of the referenced Schedule) amount of \$6,373,177 to the 2019 costs shown in *Table 2: Projected Cost of Supply from Off-Island Purchases*, Evidence on Customer Rates, Revision 2 – November 14, 2018, Page 8 of 81.
- Reference:** **Evidence on Customer Rates, Revision 2 – November 14, 2018, Schedule 1, Page 37 of 81, Appendix D - 2019 Test Year Cost of Service Study Summary, 2019 Expected Supply Test Year Cost of Service Study – October 26, 2018 Update, Total System Revenue Requirement.**
- NP-NLH-345 Please provide a detailed explanation of why the Fuels – Gas Turbine (Line 4, Column 3 of the referenced Schedule) amount of \$7,160,521 is approximately 2 times higher than the 2018 amount of \$3,473,692 for Fuels – Gas Turbine shown at line 4, column 3 of Schedule 1, Page 27 of 81. In the explanation, please provide details of the change in production and the reason for the increased production.
- Reference:** **Evidence on Customer Rates, Revision 2 – November 14, 2018, Schedule 1, Page 38 of 81, Appendix D - 2019 Test Year Cost of Service Study Summary, 2019 Expected Supply Test Year Cost of Service Study – October 26, 2018 Update, Return on Rate Base.**
- NP-NLH-346 What fuel price assumptions were used to establish the Island Interconnected Fuel Inventory costs shown in lines 3-5 of Column 3 of the referenced Schedule? If this does not reflect Hydro’s latest fuel price forecast, please explain why it does not.

RESPECTFULLY SUBMITTED at St. John's, Newfoundland and Labrador, this 10th day of December, 2018.

NEWFOUNDLAND POWER INC.

P.O. Box 8910

55 Kenmount Road

St. John's, Newfoundland A1B 3P6

Telephone: (709) 737-5609

Telecopier: (709) 737-2974