

WHENEVER. WHEREVER.
We'll be there.



HAND DELIVERED

August 27, 2019

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 GRA Compliance Application

Please find enclosed the original and 13 copies of Newfoundland Power's Requests for Information NP-NLH-005 to NP-NLH-006 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 blue ink, appearing to read "Gerard Hayes".

Gerard Hayes
Senior Counsel

Enclosures

c. Shirley Walsh
Newfoundland and Labrador Hydro

Dennis Browne, QC
Browne Fitzgerald Morgan & Avis

Paul Coxworthy
Stewart McKelvey

Dean Porter
Poole Althouse

Senwung Luk
Olthuis, Kleer, Townshend LLP

Dennis Fleming
Cox & Palmer

Gregory Moores
Iron Ore Company of Canada

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, RSNL 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 an General Rate Application by Newfoundland and Labrador Hydro to establish customer electricity rates for 2018 and 2019; and

IN THE MATTER OF a compliance application by Newfoundland and Labrador Hydro pursuant to Order NO. P.U. 16 (2019).

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

NP-NLH-005 to NP-NLH-006

August 27, 2019

Requests for Information

NP-NLH-005

Reference: Grant Thornton, *Financial Consultants Report – Newfoundland and Labrador Hydro Compliance Application*, August 23, 2019, Page 26, Lines 30 - 40.

“Instead Hydro is proposing the following:

In light of the advanced stage of the 2017 GRA Compliance Application, and the limited time remaining to allow for the implementation of final customer rates on October 1, 2019, Hydro is proposing to proceed with a one-time adjustment to each respective customers’ RSP current plan account effective April 1, 2019. By posting the adjustment on April 1, 2019 there will be no impact on the rates and transfers included in the 2017 GRA Compliance Application. This adjustment would then be reflected in customers 2020 RSP Adjustment factors.”

Hydro submits that this approach will allow the continuation of the 2017 GRA Compliance Application process while correcting the financing error.”

Is Hydro aware of any other instance where an *error* in a compliance application was corrected by using a one-time adjustment to the RSP or by any means other than a revision to the compliance application? If so, please provide details, including the date of the occurrence and the size of the error that required correcting.

NP-NLH-006

Reference: Grant Thornton, *Financial Consultants Report – Newfoundland and Labrador Hydro Compliance Application*, August 23, 2019, Page 12, Lines 35 - 38.

“We have reviewed the 2019 Test Year revenue requirement for rate setting included in the Compliance Application and reviewed the calculation to ensure orders contained in the GRA Order were appropriately reflected in the revised 2019 Test Year revenue requirement for rate setting and did not identify any discrepancies.”

In the response to Request for Information NP-NLH-004, Hydro indicates that the forecast No. 6 fuel expense for 2019 would be approximately \$20 million less than what is included in the Compliance Application if Hydro were to use the actual No. 6 fuel price for January to June and an updated fuel forecast for July to December. Given this circumstance, please

explain how Hydro's 2019 Test Year revenue requirement continues to remain appropriate for determining customer rates.

RESPECTFULLY SUBMITTED at St. John's, Newfoundland and Labrador, this 27th day of August, 2019.



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