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January 3, 2019

The Board of Commissioners of Public Utilities  
Ms. G. Cheryl Blundon, Board Secretary  
Prince Charles Building  
210 - 120 Torbay Road,  
St. John's, NL, A1A 2G8

Dear Ms Blundon:

**Re: NLH Capital Application (2018) – Labrador Interconnected Group RFIs LAB-NLH-070 to LAB-NLH-073**

We are writing in respect of the above-noted application. The Labrador Interconnected Group's expert, Mr Phil Raphals, has upon further reflection identified additional issues for which we wish to pose a few additional requests for information, which are enclosed.

We realize that the deadline for these requests for information has passed and that Hydro is under a tight timeline to respond to various requests. However, should Hydro be willing to respond to these requests, we ask that they be put on the record.

Should you have any questions, please be sure to contact me. We appreciate the Board and Hydro's indulgence in this regard.

Respectfully,  
Olthuis, Kleer, Townshend LLP  
PER:

A handwritten signature in black ink, appearing to read 'Senwung Luk', written over a white background.

SENWUNG LUK  
PARTNER

SL/tw

**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*”), and regulations thereunder;

**IN THE MATTER OF** the proposed Muskrat Falls to Happy Valley-Goose Bay Interconnection project which was deferred pursuant to Orders No. P.U. 43 (2017) and P.U. 9 (2018).

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**Requests for Information**  
**by the Labrador Interconnected Group**

**LAB-NLH-69 to LAB-NLH-72**

**January 3, 2019**

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1 **Requests for Information Regarding the Application for the Proposed Muskrat Falls to**  
2 **Happy Valley-Goose Bay Interconnection Project (the “Application”)**

3  
4 **LAB-NLH-69.**

5 Please confirm (or, if not confirmed, explain why):

- 6 a) If the MFHVI is constructed, power supply for Labrador East will continue to be sourced  
7 entirely from Churchill Falls (Recall Block);
- 8 b) If the MFHVI is constructed, power supply for Labrador East will not be sourced at all  
9 from the Muskrat Falls Generating Station;
- 10 c) If the MFHVI is constructed, power from Churchill Falls will be transmitted to Labrador  
11 East over the new 345-kV lines connecting Churchill Falls to the Muskrat Falls Terminal  
12 Station(L3101/3102);
- 13 d) If the MFHVI is constructed, capital and O&M costs for the MFHVI project will be added  
14 to the LIS revenue requirement, and will be recovered from all LIS customers according to  
15 usual ratemaking procedures;
- 16 e) If the MFHVI is constructed, it is not currently envisaged that any capital or O&M costs  
17 related to L3101/3102 will be added to the LIS revenue requirement, or in any other way  
18 recovered from LIS customers.

19 **LAB-NLH-70.**

20 Please explain:

- 21 a) how the costs of the Labrador Transmission Assets (LTA) in general, and line L3101/3102  
22 in particular are to be recovered, specifying the party or parties that will pay these costs  
23 and the party or parties to whom these costs will be paid;
- 24 b) what role, if any, the NLSO will have in collecting revenues to cover the costs of the LTA  
25 in general, and line L3101/3102 in particular.

26 **LAB-NLH-71.**

- 27 a) In Hydro’s view, does the Muskrat Falls Exemption Order and/or OIC 2013-343 ensure  
28 that none of the costs of the LTA in general, and line L3101/3102 in particular, will be  
29 borne by consumers in Labrador? Please explain Hydro’s position in detail.
- 30 b) If the Muskrat Falls Exemption Order and OIC 2013-343 were repealed, amended, or  
31 otherwise found not to ensure that none of the costs of L3101/3102 will be borne by  
32 consumers in Labrador, please explain in detail how Hydro would go about allocating the  
33 costs of these lines between the IIS and the LIS, assuming that the MFHVI is built and  
34 operated as planned, making explicit all assumptions used.

1                   **LAB-NLH-72.**

2   Can Hydro provide assurances to LIS customers that, in the future, they will never be called upon  
3   to contribute to the costs of the LTA in general, and line L3101/3102 in particular, in the event  
4   that the MFHVI is built and operated as planned? Please elaborate.