

- 1 Q. Within the response to RFI IOC-NLH-033, as part of Hydro’s 2017 GRA, Hydro states
2 that “Hydro is in the process of developing a network addition policy in preparation
3 for meeting the requirements to provide open access transmission”.
- 4 a. Has Hydro developed a network addition policy? If so, please provide a copy.
5 b. Will the network addition policy apply to the Labrador Interconnected System?
6 c. What is Hydro’s best estimate at this time for when it will be ready to submit a
7 network addition policy for the Board’s review?
8 d. Has Hydro considered the possibility of extending the network addition policy to
9 distribution customers? What changes, if any, would be required to NL
10 regulatory policy to make that possible?
11
12
- 13 A. For questions a. and b. please refer to the response to question 6 in “Attachment 1
14 – Responses to PUB Questions” submitted by Hydro on March 6, 2018. Hydro’s past
15 practice with respect to network additions has been that network additions have
16 been either: 1) specifically assigned to a single customer if the transmission addition
17 was provided solely to provide service to that single customer; or 2) to treat the
18 network addition as a common transmission asset. The recovery of costs related to
19 specifically assigned transmission assets are from the customer benefiting from the
20 use of the specifically assigned asset. The recovery of costs related to common
21 transmission assets are generally recovered from the customers served by the
22 common transmission system.¹

¹ Please refer to Hydro’s response to 2017 General Rate Application Request for Information IOC-NLH-033 (A) regarding Hydro’s Board-approved (February 1993 Cost of Service Report) methodology regarding network additions.

1 c. Hydro is currently in the process of completing a transmission planning study for
2 the Labrador Interconnected System. This report is anticipated to be complete
3 in the late fall of 2018. Hydro believes the transmission plan for Labrador is
4 required to evaluate the impacts of a network addition policy. Therefore, Hydro
5 believes it can complete the development of a network addition policy for the
6 provision of open access transmission by February 2019. Upon the Board’s
7 request, Hydro could include in that study whether such an approach should
8 include distribution customers.

9

10 d. Please see “c.” above regarding applicability to distribution customers. With
11 respect to changes to regulatory policy, an application will have to be made to
12 the Board for approval of a network addition policy.