



NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES
120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

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2019-04-11

Ms. Shirley Walsh
Senior Legal Counsel - Regulatory
Newfoundland and Labrador Hydro
P.O. Box 12400
Hydro Place, Columbus Drive
St. John's, NL A1B 4K7

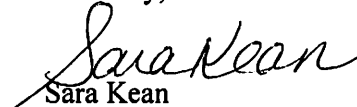
Dear Ms. Walsh:

Re: Newfoundland and Labrador Hydro - Application for Revisions to Cost of Service Methodology - Requests for Information

Enclosed are Requests for Information PUB-NLH-012 to PUB-NLH-031 regarding the above-noted application.

If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Ms. Jacqui Glynn, by email, jglynn@pub.nl.ca or telephone (709) 726-6781.

Sincerely,


Sara Kean
Assistant Board Secretary

SK/cj
Enclosure

ecc **Newfoundland & Labrador Hydro**
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1 **IN THE MATTER OF**
2 the *Electrical Power Control Act, 1994*,
3 SNL 1994, Chapter E-5.1 (the “*EPCA*”)
4 and the *Public Utilities Act*, RSNL 1990,
5 Chapter P-47 (the “*Act*”), as amended, and
6 regulations thereunder; and
7
8

9 **IN THE MATTER OF** an application from
10 Newfoundland and Labrador Hydro for approval
11 of revisions to its Cost of Service Methodology
12 pursuant to section 3 of the *EPCA* for use in the
13 determination of test year class revenue requirements
14 reflecting the inclusion of the Muskrat Falls Project
15 costs upon full commissioning.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NLH-012 to PUB-NLH-031

Issued: April 11, 2019

1 **Cost of Service Study Methodology Review**

- 2
- 3 **PUB-NLH-012** Please provide historical monthly coincident peak, noncoincident peak, and
4 energy sales by customer class in each system.
- 5
- 6 **PUB-NLH-013** Please provide two versions of the COS Model in spreadsheet form:
7 (i) Model using method proposed by Hydro; and
8 (ii) Model using method currently approved by the Board.
- 9
- 10 **PUB-NLH-014** Please provide spreadsheets with live formulas for the computation of
11 Holyrood capacity factor for the last 5 calendar years.
- 12
- 13 **PUB-NLH-015** Please provide a 1-line diagram of the Hydro transmission system.
- 14
- 15 **PUB-NLH-016** Please provide three versions of COS Model in spreadsheet form using the
16 method proposed by Hydro, with the following modifications:
17 (i) Functionalizing LIL as Generation and classifying LIL as demand-
18 related;
19 (ii) Functionalizing LTA as Transmission and classifying LTA as demand-
20 related; and
21 (iii) Classifying the Muskrat Falls costs using the system load factor method.
- 22
- 23 **PUB-NLH-017** Please provide support for the total direct expenditure required for the
24 construction of a peaker plant used in the equivalent peaker calculation.
- 25
- 26 **PUB-NLH-018** Page 3, Footnote 8: Please provide a copy of the letter dated December 14,
27 2015 from the Premier of Newfoundland and Labrador to the Minister of
28 Natural Resources.
- 29
- 30 **PUB-NLH-019** Page 22: Please provide a table, similar to Table 7, showing the impact on the
31 revenue requirement for each of Newfoundland Power and the Island Industrial
32 customer class for each change or new addition in the cost of service
33 methodology proposed by Hydro.
- 34
- 35 **PUB-NLH-020** Page 22: Please provide a table, similar to Table 8, showing the impact on the
36 unit costs for each of Newfoundland Power and the Island Industrial customer
37 class for each change or new addition in the cost of service methodology
38 proposed by Hydro.
- 39
- 40
- 41 **Marginal Cost Study Update - 2018**
- 42
- 43 **PUB-NLH-021** Page 1, Footnote 4: Please provide a copy of forecast market results and model
44 description.

- 1 **PUB-NLH-022** Page 1, Footnote 4: Please provide a copy of transmission fees for imports into
2 New England and New York.
3
- 4 **PUB-NLH-023** Appendix A, page 4: For Hydro, which is lesser: the marginal operating costs
5 or the opportunity costs?
6
- 7 **PUB-NLH-024** Appendix A, page 7: Please provide the marginal capacity cost distribution
8 across the year.
9
- 10 **PUB-NLH-025** Appendix A, page 9: Has Hydro included in its reliability assessment the largest
11 unit contingency?
12
- 13 **PUB-NLH-026** Appendix A, page 11: Please provide an explanation of how Hydro went from
14 its transmission capacity expansion plan to \$/kW-year.
15
- 16 **PUB-NLH-027** Appendix A, page 11: Please explain why energy costs are based on opportunity
17 costs and what criteria was used to make this choice?
18
- 19 **PUB-NLH-028** Appendix A, page 12: Please explain what is meant by "internal charges" for
20 Hydro's capacity costs. How are these calculated?
21
- 22 **PUB-NLH-029** Appendix A, page 19: Does Hydro only hold enough fuel for one week?
23
- 24 **PUB-NLH-030** Please provide historical transmission investments by area of the network
25 subdivided into investments to meet increasing demand and maintenance
26 transmission investments.
27
- 28 **PUB-NLH-031** Please provide the projected internal energy costs on a monthly basis for the
29 years 2021-2029.

DATED at St. John's, Newfoundland this 11th day of April 2019.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per 
Sara Kean
Assistant Board Secretary