

IN THE MATTER OF the *Electrical Power Control Act, 1994*, SNL 1994, Chapter E-5.1 (“EPCA”) and the *Public Utilities Act*, RSN 1990, Chapter P-47 (“Act”);

AND IN THE MATTER OF the Network Additions Policy Review, dated October 1, 2018; the Labrador Interconnected System – Network Additions Policy dated December 14, 2018; the Labrador Interconnected System Transmission Expansion Study dated October 31, 2018; the Labrador Interconnected System Transmission Expansion Study Revision 1 dated November 5, 2018; and the Labrador Interconnected System Transmission Expansion Study Revision 2 dated April 3, 2019, filed by Hydro.

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

LAB-PUB-013 to LAB-PUB-014

June 11, 2020

**Requests for Information Regarding
the Brattle Group Report on
Hydro's Proposed Network Addition Policy**

LAB-PUB-13.Re: Brattle Group Report

Preamble:

At the Technical Conference, risks and concerns particular to customers without ties to the local community that wish to take advantage of low power prices were discussed.

- a) Is the Brattle Group aware of any situations where regulators have sought to ensure that the arrival of customers without ties to the local community does not result in increasing costs to local customers? If so, please comment on the approaches. If not, does the Brattle Group think it would be inappropriate to do so?
- b) Please comment on the similarities and differences between a) the NLPUB establishing regulatory rules and procedures designed to protect Labrador communities from rate impacts caused by customers without ties to the local community that wish to take advantage of low power prices, and b) the FERC establishing regulatory rules and procedures designed to protect Native Load from rate impacts caused by transmission customers.

LAB-PUB-14.Re: LAB-PUB-012b)

Citation:

Brattle is proposing that additional customers also be required to make capital contributions to the cost of the prior network upgrades without which it would not have been possible to provide service to them. The remaining net book value of the network upgrade would be allocated among the additional customers and the original customer in proportion to peak demand. Please also refer to the response to LAB-PUB-009 part c.

- a) Please explain in detail how the Brattle Group's proposed policy (of requiring additional customers to make capital contributions to the cost of the prior network upgrades without which it would not have been possible to provide service to them) would apply in the case of the DND boiler conversion project, which could not have been served "but for" the MFHVI project, had the policy been in effect at the time when the MFHVI project was approved.
- b) In the context of the transition from the current system to the one proposed by the Brattle Group, is there any reason that one could not consider additions paid for by the current customer base to also be eligible for refunds, from a new customer that could not have been served "but for" that addition? Please elaborate.
- c) More specifically, in the event that DND goes ahead with its boiler conversion project, which could not have been served "but for" the MFHVI project, could DND be assessed a capital

contributions to the cost of the that project, if the Board found such an assessment to be consistent with its network addition policy and in the public interest?