

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 **IN THE MATTER OF** Order No. P.U. 43(2017)
9 in relation to Hydro’s 2018 Capital Budget application;
10 and
11
12 **IN THE MATTER OF** a review of Network Additions
13 Policy and Transmission Expansion Study for the Labrador
14 Interconnected System.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NLH-086 to PUB-NLH-099

Issued: June 11, 2020


- 1 i. How does Hydro determine the rate levels that are acceptable to
2 consumers for the level of reliability referred to in line 7?
3 ii. Does Hydro have estimates of how much consumers value
4 different levels of reliability? If so, is that used in the analysis of
5 the alternatives considered? If Hydro does have estimates of how
6 much consumers value different levels of reliability but does not
7 use it in the analysis of the alternatives, please explain why it is
8 not used.
9
- 10 **PUB-NLH-091** Please provide load forecasts performed by Hydro for Labrador East and
11 Labrador West for the period 2014-2019.
12
- 13 **PUB-NLH-092** Please explain how frequently Hydro proposes to update the LIS
14 Transmission Expansion Plan. If Hydro does not intend to update its plan on
15 a preset schedule, please explain what would trigger Hydro to update the LIS
16 Transmission Expansion Plan?
17
- 18 **PUB-NLH-093** Please explain how frequently Hydro proposes to update its Expansion Cost
19 per kW estimates. If Hydro does not intend to update the Expansion Cost per
20 kW estimates on a preset schedule, please explain what would trigger Hydro
21 to update the estimates?
22
- 23 **PUB-NLH-094** Please summarize the criteria and the violations of those criteria which
24 initiate new capital investments.
25
- 26 **PUB-NLH-095** Hydro plans to invest approximately \$28 million in Labrador West in
27 addition to the \$20 million recently invested in Labrador East. These projects
28 will create additional capacity to serve customers and increase reliability.
29 One of the concerns with the “but for” approach that Hydro has articulated is
30 that a large customer could materially accelerate the requirement for a
31 transmission upgrade and not pay a contribution. The subsequent customer
32 that triggers the investment would be required to pay for the next capital
33 investment which Hydro states creates fairness issues.
34 a. Does Hydro agree that if a “but for” approach was already in place that
35 the investments in Labrador East and the upcoming Labrador West
36 investments would be recovered from the existing customers that
37 prompted the investments and new customers that would avail of the
38 capacity created from those investments and, as such, would
39 significantly mitigate or eliminate those fairness issues?
40 b. Given that the combined recent and upcoming \$48 million capital
41 investments in Labrador East and Labrador West constitute the largest
42 investment on the Labrador Interconnected system in the past ten years
43 has Hydro considered implementing a “but for” approach with the
44 Network Additions Policy that would enable these investments to be
45 factored into the determination of the contribution that new customers
46 would have to pay in order to avail of the capacity created via these
47 investments?

- 1 i. If yes, please outline the reason(s) for Hydro choosing to not
- 2 adopt a “but for” approach that incorporated such a contribution
- 3 mechanism.
- 4 ii. If no, please outline what advantages and disadvantages that
- 5 Hydro perceives with such an approach in comparison to its
- 6 proposed approach.
- 7
- 8 **PUB-NLH-096** Please confirm that Hydro is not proposing a separate rate class for
- 9 cryptocurrency customers and provide the reasons for not doing so.
- 10
- 11 **PUB-NLH-097** Please confirm that cryptocurrency customers would not be considered
- 12 Industrial Customers under the proposed definition and provide the
- 13 distinction between an Industrial Customer and a cryptocurrency customer.
- 14
- 15 **PUB-NLH-098** Please advise, if there is no separate rate class and the Industrial Customer
- 16 rate class doesn’t apply, which rate class will be used for cryptocurrency
- 17 customers.
- 18
- 19 **PUB-NLH-099** Please detail how the proposed Network Additions Policy addresses the
- 20 concern that pressure on the Labrador Transmission System is being created
- 21 by the increase in peak demand due to forecast data center activity.

DATED at St. John’s, Newfoundland this 11th day of June 2020

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per



 Cheryl Blundon
 Board Secretary