



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

E-mail: shirleywalsh@nlh.nl.ca

2019-02-21

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 - 2018 Capital Budget Application -
Network Additions Policy Review and Labrador Interconnected System
Expansion Study - Requests for Information**

Enclosed are Information Requests PUB-NLH-054 to PUB-NLH-065 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,

Cheryl Blundon
Board Secretary

CB/cj
Enclosure

ccc **Newfoundland & Labrador Hydro**
NLH Regulatory, E-mail: NLHRegulatory@nlh.nl.ca
Newfoundland Power Inc.
Mr. Gerard Hayes, E-mail: ghayes@newfoundlandpower.com
NP Regulatory, E-mail: regulatory@newfoundlandpower.com
Consumer Advocate
Mr. Dennis Browne, Q.C., E-mail: dbrowne@bfma-law.com
Mr. Stephen Fitzgerald, E-mail: sfitzgerald@bfma-law.com
Ms. Sarah Fitzgerald, E-mail: sarahfitzgerald@bfma-law.com
Ms. Bernice Bailey, E-mail: bbailey@bfma-law.com

Industrial Customer Group
Mr. Paul Coxworthy, E-mail: pcoxworthy@stewartmckelvey.com
Mr. Dean Porter, E-mail: dporter@poolealthouse.ca
Mr. Denis Fleming, E-mail: dfleming@coxandpalmer.com
Iron Ore Company of Canada
Mr. Van Alexopoulos, E-mail: Van.Alexopoulos@ironore.ca
Mr. Benoit Pepin, E-mail: benoit.pepin@riotinto.com
Labrador Interconnected Group
Mr. Senwung Luk, E-mail: sluk@oktlaw.com

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** the Network Additions Policy Review, dated
13 October 1, 2018; the Labrador Interconnected System – Network
14 Additions Policy dated December 14, 2018; the Labrador Interconnected
15 System Transmission Expansion Study dated October 31, 2018; and
16 Revision 1 dated November 5, 2018 filed by Newfoundland and
17 Labrador Hydro.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NLH-054 to PUB-NLH-065

Issued: February 21, 2019

1 **Network Additions Policy Review and Labrador Interconnected System Expansion Study**

2
3 **PUB-NLH-054** Reference page 12, lines 3-6, *Network Additions Policy Review*. Please
4 provide the reasons for not applying a Network Additions Policy to the IIS at
5 this time.
6

7 **PUB-NLH-055** Reference page 1, lines 13-15, *Labrador Interconnected System Network*
8 *Additions Policy – Summary Report*. Is the application of the network
9 additions policy in determining costs associated with open access transmission
10 service in Labrador versus the island consistent with the premise of open, non-
11 discriminatory and non-preferential access to transmission service on the
12 Newfoundland and Labrador Interconnected system (NLIS)? Would the
13 development of a similar network additions policy for the IIS mitigate any
14 potential inconsistencies?
15

16 **PUB-NLH-056** Reference page 5, Table 1, *Labrador Interconnected System Network*
17 *Additions Policy – Summary Report*. The Expansion Cost per kW is identified
18 as being \$465 and is based on Class 5 estimates for projects arising from the
19 *Labrador Interconnected System Transmission Expansion Study*. Please
20 advise if the cost estimates will be refined to, at a minimum, Class 3 estimates
21 prior to the implementation of this Expansion Cost charge.
22

23 **PUB-NLH-057** Reference page 6, lines 8-9, *Labrador Interconnected System Network*
24 *Additions Policy – Summary Report*. How was the 1500 kW threshold for
25 more detailed system impact reviews determined?
26

27 **PUB-NLH-058** Reference page 6, lines 16-17, *Labrador Interconnected System Network*
28 *Additions Policy – Summary Report*. How will the costs of the System Impact
29 Study be calculated and how will they be communicated to the customer?
30

31 **PUB-NLH-059** Reference page 6, lines 19-24, *Labrador Interconnected System Network*
32 *Additions Policy – Summary Report*. Is the use of Expected Unserved Energy
33 in determining value to customers an industry standardized methodology in
34 North America? Please identify other methodologies considered and why they
35 were not selected.
36

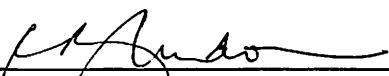
37 **PUB-NLH-060** Reference page 7, lines 1-4, *Labrador Interconnected System Network*
38 *Additions Policy - Summary Report*. How was the value limit of 50%
39 determined?
40

41 **PUB-NLH-061** Reference page 7, *Labrador Interconnected System Network Additions Policy*
42 *- Summary Report*. Will a customer prompting a new interconnection or
43 transmission upgrade receive credit for reliability benefits that exceed Hydro's
44 overall system reliability metrics used throughout the rest of its system? If
45 yes, please provide the rationale for potentially rewarding a new customer for
46 upgrading a portion of Hydro's electrical system to a reliability standard
47 exceeding Hydro's overall system reliability standards.
48

- 1 **PUB-NLH-062** Reference page 8, lines 4-6, *Labrador Interconnected System Network*
2 *Additions Policy – Summary Report*. Please provide the calculation used to
3 derive the \$250 figure.
4
- 5 **PUB-NLH-063** Would new generation requirements arising from new customer load(s) also
6 be subject to the *Network Additions Policy - Labrador Interconnected System*?
7
- 8 **PUB-NLH-064** What criteria was used in the determination of loads to be included as part of
9 the baseline forecasts in the *Labrador Interconnected System Transmission*
10 *Expansion Study* (e.g., why was the load from Tacora Resources included in
11 Lab West whereas the Department of National Defence’s anticipated
12 expansion was not included in Lab East)?
13
- 14 **PUB-NLH-065** What has been the peak load to date for Lab East during the 2018-2019 winter
15 season? Please reconcile any difference between that peak and the forecasted
16 peak of 81.7 MW for 2018 on page 11 of the *Labrador Interconnected System*
17 *Transmission Expansion Study*.

DATED at St. John’s, Newfoundland this 21st day of February, 2019.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per 
Cheryl Blundon
Board Secretary