

1 Q. **Reference: Response to Request for Information NP-NLH-014, Page 2 of 2, Lines 1 – 3**

2 On Page 2 of 2 at Lines 1 - 3, Hydro states: “If approved, the work is scheduled for completion in
3 September 2023 instead of during execution of phase 2 of the long-term supply plan for
4 southern Labrador (currently expected to be 2030).”

5 Is the Mary’s Harbour Voltage Conversion required to be completed in 2023 or 2030? In the
6 response please indicate if the work is required in 2023 due to additional customer load
7 requirements and whether the customer will be required to make a contribution in aid of
8 construction.

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11 A. The Mary's Harbour Voltage Conversion included within Newfoundland and Labrador Hydro's
12 ("Hydro") 2022 Capital Budget Application (“CBA”) is being proposed to address voltage
13 concerns following the addition of a new, large customer to the system. Regardless of whether
14 the Long-Term Supply for Southern Labrador – Phase 1 application is approved, the voltage
15 concerns in Mary’s Harbour must be addressed; however, the least-cost solution to this
16 alternative may differ based on whether the regional interconnection of the southern Labrador
17 communities proceeds. Voltage conversion at this time is the least-cost alternative to address
18 voltage issues in the community, on the basis that Hydro proceeds with the regional
19 interconnection of the southern Labrador communities, as voltage conversion is required as part
20 of Phase 2 of the project to connect Mary’s Harbour in 2030.

21 The voltage conversion included within Phase 2 of the project to connect Mary's Harbour in
22 2030 is required to maintain the amount of available fault current available on the distribution
23 system following the regional interconnection. If a voltage conversion in Mary's Harbour is not
24 completed prior to it being interconnected to the proposed southern Labrador interconnected
25 system, then a voltage conversion must occur as part of the Phase 2 – Mary's Harbour
26 Interconnection project. This is reflected in the interconnected options (Alternatives 3a and 3b)
27 of Hydro’s cost-benefit analysis for the Long-Term Supply for Southern Labrador – Phase 1
28 application. Completing the voltage conversion as proposed in Hydro’s 2022 CBA will remove

1 the need to complete voltage conversion during the Phase 2 work scope. If the Long-Term
2 Supply for Southern Labrador – Phase 1 application does not receive approval by the Board of
3 Commissioners of Public Utilities (“Board”), Hydro will reassess its approach to resolving the
4 voltage concerns in Mary’s Harbour and propose the least-cost solution.

5 Hydro applies the General Service CIAC¹ Policy (“CIAC Policy”) approved by the Board² in
6 determining contributions from customers requiring distribution line extensions or three phase
7 upgrades. The requirement to upgrade the service conductor at the Mary’s Harbour Diesel
8 Generating Station is a result of load growth in the area and is not an upgrade as defined in the
9 Board-approved CIAC Policy; therefore, the additional costs are not required to be recovered
10 from a single customer.

¹ Contribution in aid of Construction (“CIAC”).

² *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 39(2020), Board of Commissioners of Public Utilities, December 17, 2020.