



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

E-mail: khopkins@newfoundlandpower.com

2021-02-19

Kelly Hopkins
Corporate Counsel
Newfoundland Power Inc.
55 Kenmount Road, P.O. Box 8910
St. John's, NL A1B 3P6

Dear Ms. Hopkins:

Re: Newfoundland Power Inc. - 2021 Capital Budget Application - St. John's North-Portugal Cove Substation Project Planning Study Update - Request for Information

Enclosed is Request for Information PUB-NP-025 regarding the above-noted matter.

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.

Yours truly,

Sara Kean
Assistant Board Secretary

SK/cj
Enclosure

ecc **Newfoundland Power Inc.**
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Liam O'Brien, E-mail: lobrien@curtisdawe.com
NP Regulatory, E-mail: regulatory@newfoundlandpower.com
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Bernice Bailey, E-mail: bbailey@bfma-law.com

1 **IN THE MATTER OF** the *Public*
2 *Utilities Act*, (the “Act”); and
3
4 **IN THE MATTER OF** capital expenditures
5 and rate base of Newfoundland Power Inc.; and
6
7 **IN THE MATTER OF** an application by
8 Newfoundland Power Inc. for an order pursuant
9 to sections 41 and 78 of the *Act*:
10 (a) approving a 2021 Capital Budget of \$111,298,000;
11 (b) approving certain capital expenditures related to
12 multi-year projects commencing in 2021; and
13 (c) fixing and determining a 2019 rate base of
14 \$1,153,556,000.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NP-025

Issued: February 19, 2021

1 **St. John's North-Portugal Cove Substation Project Planning Study Update**

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PUB-NP-025 Alternative 1 (Table 1, page 1-2) includes capital expenditures of \$3.36 million in 2025 to purchase and install a new 25 MVA transformer and associated protection devices at VIR Substation in parallel with the existing VIR-T3.

1. The sensitivity analysis (Table 5, page 1-6) appears to assume that the 2025 capital expenditures would be required even with no load growth. Please confirm whether this is the case and, if so, explain why these expenditures are required in 2025 but not in 2021 in the no load growth scenario.
2. If the new transformer at VIR Substation is not required in 2025 as forecast, how much further into the future would the \$3.36 million expenditures associated with the installation of this transformer need to be deferred so as to make the Alternative 1 and Alternative 2 options net present value equivalent?
3. Given the uncertainties associated with load forecasting and the almost flat load forecast and considering the current economic circumstances in the Province are there quantifiable benefits associated with the opportunity to delay a significant portion of the expenditures until 2025?
4. Other than meeting projected load forecast, are there any quantifiable benefits associated with Alternative 2 as compared to Alternative 1?

DATED at St. John’s, Newfoundland this 19th day of February, 2021.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per



Sara Kean
Assistant Board Secretary