

HAND DELIVERED

September 10, 2008

Board of Commissioners of Public Utilities P.O. Box 21040 120 Torbay Road St. John's, NL A1A 5B2

Attention:

G. Cheryl Blundon

Director of Corporate Services

and Board Secretary

Ladies and Gentlemen:

Re: 2009 Hydro Capital Budget Application

Please find enclosed the original and 8 copies of Newfoundland Power's Requests for Information NP-NLH-1 to NP-NLH-7 in respect of the 2009 Hydro Capital Budget Application.

For convenience, the Requests for Information are provided on three-hole punched paper.

A copy of this letter, together with enclosures, has been forwarded directly to the parties listed below. An electronic copy in pdf format will follow.

Newfoundland Power Inc.

St. John's, Newfoundland

Business: (709) 737-5600

Facsimile: (709) 737-2974 www.newfoundlandpower.com

55 Kenmount Road PO Box 8910

A1B 3P6

If you have any questions regarding the enclosed, please contact the undersigned at your convenience.

Yours very truly,

Gerard Hayes Senior Counsel

c. Geoffrey Young

Newfoundland & Labrador Hydro

Thomas Johnson

O'Dea Earle Law Offices

Joseph Hutchings, Q.C.

Poole Althouse

Paul Coxworthy Stewart McKelvey

Join us in the fight against cancer.

Telephone: (709) 737-5609 Email: ghayes@newfoundlandpower.com Fax: (709) 737-2974

IN THE MATTER OF the *Public Utilities Act*, (the "Act"); and

IN THE MATTER OF an Application by Newfoundland and Labrador Hydro for an Order approving: (1) its 2009 capital budget pursuant to s. 41(1) of the Act; (2) its 2009 capital purchases, and construction projects in excess of \$50,000 pursuant to s.41 (3) (a) of the Act; (3) its leases in excess of \$5,000 pursuant to s. 41 (3) (b) of the Act; and (4) its estimated contributions in aid of construction for 2009 pursuant to s.41 (5) of the Act and for an Order pursuant to s. 78 of the Act fixing and determining its average rate base for 2007.

Requests for Information by Newfoundland Power Inc.

September 10, 2008

Requests for Information 2009 Hydro Capital Budget Application

Hydro Rural Load Growth

- NP-NLH-1 In June 2007, the Provincial Government announced the Labrador Coastal Electricity Rebate to apply to residents of isolated diesel-serviced communities on the Labrador coast and the Labrador Straits. The rebate brought the monthly basic customer charge and the rate charged for power to these customers in line with the rates paid by customers in the Happy Valley-Goose Bay area. Please estimate the load growth impacts that will result from the Labrador Coastal Electricity Rebate by comparing the 5 year load forecasts for Hydro Rural prepared prior to and after the rebate implementation.
- NP-NLH-2 Please identify all 2008 capital budget items (and the cost of each item) resulting from load growth in the communities that are receiving the Labrador Coastal Electricity Rebate.
- NP-NLH-3 Please identify all generation expansion requirements beyond 2009 reflected in the 2009 Capital Plan resulting from load growth in the communities that are receiving the Labrador Coastal Electricity Rebate.

Upgrade Transmission Line TL-212, \$967,900, Page B-15

NP-NLH-4 The report *TL-212 Upgrade*, Tab 5 Volume 2, page 4, stated that 144 of the 514 towers on TL-212 were inspected in March 2008, with 47 aluminum towers requiring guy wire replacement. Has the condition of the guy wires on the remaining 370 structures been assessed?

Energy Conservation Upgrades Hydro Place, \$832,600, Page B-34

- NP-NLH-5 The report *Hydro Place Energy Efficiency Improvements*, Tab 18 Volume 2, page 9, estimates the annual reduction in building energy consumption to be 1,355,918 kWh. What are the expected annualized savings that will result from this project based on reduced production at the Holyrood Thermal Generating Station. Please express the savings on a dollar basis and a cents per kWh basis.
- NP-NLH-6 Provide the annualized cost of the energy conservation upgrades over the 15 year projected life of the project. This cost should reflect capital costs less annual maintenance cost savings. Please express the costs on a dollar basis and a cents per kWh basis.

NP-NLH-7 Please compare the annualized fuel savings requested in NP-NLH-5 with the annualized cost of obtaining the savings requested in NP-NLH-6.

DATED at St. John's, Newfoundland, this 10th day of September, 2008.

NEWFOUNDLAND POWER INC.

Gerard Hayes and Peter Alteen Newfoundland Power Inc.

P.O. Box 8910 55 Kenmount Road St. John's, NL A1B 3P6

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