



NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES
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2014-02-04

Mr. Geoffrey Young
Newfoundland and Labrador Hydro
P.O. Box 12400
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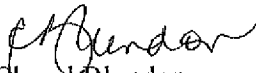
Dear Sirs:

Re: Newfoundland and Labrador Hydro - Application for Approval of the Rate Stabilization Plan Rules and Refunds to Newfoundland Power and Hydro Rural Customers – Request for Information

Enclosed are Information Requests SR-PUB-NLH-14 to SR-PUB-NLH-30 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.

Yours truly,


Cheryl Blundon
Board Secretary

/bds
Encl.

ecc. **Newfoundland & Labrador Hydro**
Mr. Fred Cass, E-mail: fcass@airdberlis.com
Newfoundland Power Inc.
Mr. Gerard Hayes, E-mail: ghayes@newfoundlandpower.com
Mr. Liam O'Brien, E-mail: lobrien@curtisdawe.nf.ca
Consumer Advocates
Mr. Thomas Johnson, E-mail: tjohnson@odeaearle.ca
Ms. Colleen Lacey, E-mail: clacey@odeaearle.ca

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
7 **IN THE MATTER OF** an application by
8 Newfoundland and Labrador Hydro for approval
9 of the Rate Stabilization Plan rules and a refund
10 to be provided to Newfoundland Power customers
11 and to Newfoundland and Labrador Hydro Rural
12 Customers pursuant to section 71 of the *Act*.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

SR-PUB-NLH-14 to SR-PUB-NLH-30

Issued: February 4, 2014

- 1 **SR-PUB-NLH-14** Further to the response to SR-PUB-NLH-002, provide all Orders of this
2 Board and regulatory precedents from other jurisdictions that recognize
3 the "*two distinct views of electricity rates*" referred to in the response.
4
- 5 **SR-PUB-NLH-15** Further to the response to SR-PUB-NLH-002, explain in detail how the
6 approach to published rates and effective rates is consistent with the
7 *Public Utilities Act* and the *Electrical Power Control Act*.
8
- 9 **SR-PUB-NLH-16** Further to the response to SR-PUB-NLH-005, what was Hydro's source of
10 funding for the rebates issued to Rural Customers in 2001 and 2003?
11
- 12 **SR-PUB-NLH-17** If it is found that Order in Council OC2013-089 as amended by OC2013-
13 207 does not include the funding of refunds to Hydro's Rural Customers
14 from the RSP Surplus Fund, does Hydro maintain that the refunds should
15 nevertheless proceed and how would these refunds be funded?
16
- 17 **SR-PUB-NLH-18** Further to the response to SR-PUB-NLH-007, provide the answer to the
18 question which had requested the implications for Labrador
19 Interconnected Customers and Hydro of the "*Current Approach*" and the
20 "*Proactive Approach*", in addition to Newfoundland Power and Rural
21 Customers which are addressed in the response.
22
- 23 **SR-PUB-NLH-19** Further to the responses to SR-PUB-NLH-008 and SR-PUB-NLH-012,
24 explain in detail how the refund to each Rural Customer will be
25 calculated.
26
- 27 **SR-PUB-NLH-20** Hydro proposes that energy consumption in 2013 be used as the basis for
28 calculating the refund and that refunds be processed in April 2014. Should
29 consideration be given to using a current annual period of consumption
30 which is related to the implementation date, for example, April 1, 2013 to
31 March 31, 2014 if the implementation date were July 1, 2014? Explain in
32 detail the implications of using a later period of 12 months energy
33 consumption than that proposed.
34
- 35 **SR-PUB-NLH-21** Further to the response to SR-NP-NLH-001, what are the alternative
36 approaches, other than the daily invoicing and payments described in the
37 response, that are available to transfer funds to Newfoundland Power? In
38 the response include the estimated cost and proposed administrative effort
39 required for each approach, including Hydro's proposed daily approach.
40
- 41 **SR-PUB-NLH-22** Further to the responses to SR-NP-NLH-004 and SR-NP-NLH-019,
42 describe in detail the process, including the source of funding, proposed
43 by Hydro for recovery of costs associated with the Surplus Refund.
44
- 45 **SR-PUB-NLH-23** Further to the responses to SR-NP-NLH-007 and SR-PUB-NP-1, and
46 assuming refunds in April 2014 will not occur, what factors should be

considered in determining the month for the refund to customers, including what weight, if any, should be given to the estimated amount of individual customer's monthly bills?

SR-PUB-NLH-24 Further to the response to SR-NP-NLH-009, explain in detail why it is appropriate to issue a cheque for the balance to a customer who continues to receive service after the date the refund credit is applied to the customer's account, given the administrative effort and cost associated with issuing cheques.

SR-PUB-NLH-25 Further to the response to SR-NP-NLH-09, explain in detail the circumstances where the practice has been to issue a cheque to a customer who continues to receive service. Include in the reply the average number of times that this occurs annually.

SR-PUB-NLH-26 Further to the response to SR-NP-NLH-026, given that cheques may be issued for 95% of Rural Customers, would it be more efficient to issue cheques only rather than refunds and cheques? If not, why not?

SR-PUB-NLH-27 Further to the response to SR-NP-NLH-030, has Hydro applied for confirmation from CRA that the 2002 ruling on the refund of surplus Wabush earnings is applicable to the proposed RSP Surplus Refund, given that the ruling states it is based on the facts of the transaction proposed at that time and that it be completed by March 31, 2003? If not, why not?

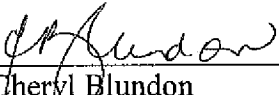
SR-PUB-NLH-28 Further to the response to SR-NP-NLH-030, has Hydro received the ruling it requested from CRA and if not, when is it anticipated? In the reply explain the consideration that should be given to the uncertainty of the HST implications of the proposed refund plan in the Board's consideration of the application and in the administration by Newfoundland Power and Hydro of the refund.

SR-PUB-NLH-29 Further to the response to SR-NP-NLH-033 what refund methodology is referred to in lines 10-11 on page 2 and provide the Board Order numbers approving such refund methodology.

SR-PUB-NLH-30 Further to the response to SR-NP-NLH-039, provide the requested table including the total number of customer to receive a refund. If any information is not available explain why it is not available.

DATED at St. John's, Newfoundland this 4th day of February 2014.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per 
Cheryl Blundon
Board Secretary