

June 2, 2014

Ms. G. Cheryl Blundon  
Board of Commissioners of Public Utilities  
120 Torbay Road, P.O. Box 12040  
St. John's, NL A1A 5B2

Dear Ms. Blundon:

**Re: Newfoundland and Labrador Hydro – Application for Approval of Expenditures for the Installation of Diesel Units at Holyrood for the Purposes of Black Starting the Generating Units, and for the Deferral of Lease Costs (“Black start”) and Application to Supply and Install 100 MW (Nominal) of Combustion Turbine Generation**

Please find enclosed one (1) original and twelve (12) copies of the following Requests for Information:

1. Re - Black Start  
CA-NLH-20 to CA-NLH-25
2. Re – 100 MW (Nominal) of Combustion Turbine Generation  
GT-CA-NLH-01 to GT-CA-NLH-26

A copy of the letter, together with enclosures, has been forwarded directly to the parties listed below.

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

Yours very truly,

O'DEA, EARLE

  
THOMAS JOHNSON

TJ/cel  
Encl.

cc: Newfoundland & Labrador Hydro  
P.O. Box 12400  
500 Columbus Drive  
St. John's, NL A1B 4K7  
Attention: Geoffrey P. Young, Senior Legal Counsel



Newfoundland Power  
P.O. Box 8910  
55 Kenmount Road  
St. John's, NL A1B 3P6  
Attention: Gerard Hayes, Senior Legal Counsel

Vale Newfoundland and Labrador Limited  
c/o Cox & Palmer  
Suite 1000, Scotia Centre  
235 Water Street  
St. John's, NL A1C 1B6  
Attention: Thomas J. O'Reilly, Q.C.

Island Industrial Customers Group  
c/o Stewart McKelvey  
Cabot Place, 100 New Gower Street  
P.O. Box 5038  
St. John's, NL A1C 5V3  
Attention: Paul Coxworthy

Sierra Club Canada  
Atlantic Canada Chapter  
St. John's, NL  
Attention: Mr. Fred Winsor, Conservation Chair

Mr. Danny Dumaresque  
31 Portugal Cove Road  
St. John's, NL A1B 2N5

**IN THE MATTER OF**

the *Electrical Power Control Act*, R.S.N.L. 1994,  
Chapter E-5.1 (the "*EPCA*") and the *Public Utilities Act*, R.S.N.L. 1990,  
Chapter P-47 (the "*Act*"), and regulations thereunder;

AND

**IN THE MATTER OF**

an Application by Newfoundland and Labrador Hydro  
for the approval, pursuant to Subsection 41(3) of the *Act*,  
of infrastructure required for the installation of diesel units  
at Holyrood for the purpose of blackstarting the generating  
units, and pursuant to Sections 49, 78 and 80 of the *Act*,  
for the deferral of lease costs relating to the diesel units  
required for blackstart purposes.

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**CONSUMER ADVOCATE  
REQUESTS FOR INFORMATION  
CA-NLH-20 to CA-NLH-25**

**Issued: June 2, 2014**

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CA-NLH-20

(Re: Board Order No. P.U. 38(2013)) The Board’s Order relating to the black start project states (page 3, lines 15 to 18) “*Whereas the Board is satisfied that the proposed capital expenditures should be approved but finds that the issues of prudence and cost recovery in relation to the proposed expenditures should not be addressed until there has been a full review with an opportunity for the parties to issue requests for information and make submissions*”. Please provide the definition of “*prudence*” and a defense of why the costs of the diesel blackstart project have been prudently incurred and why the Board should allow full cost recovery. Please address this question in light of the statement in the April 10, 2014 report entitled Supply and Install 100 MW (Nominal) of Combustion Turbine Generation that a combustion turbine located at Holyrood provides (page 8) “*The ability to return the leased black start diesels at Holyrood*”.

CA-NLH-21

(Re: Response to CA-NLH-6) Please update the response to CA-NLH-6 which requests the current timeline for the diesel blackstart project. Please identify any situations that have caused delays in the schedule; i.e., weather.

CA-NLH-22

(Re: Response to CA-NLH-7) Please provide an update to CA-NLH-7 which requests the current cost estimate for the diesel plant blackstart project including total capital, and annual and total lease costs.

CA-NLH-23

(Re: Responses to CA-NLH-8 and CA-NLH-9) Please provide an update of the responses to CA-NLH-8 and CA-NLH-9 which request the impact in percentage and dollar terms that the diesel plant capital and lease costs would have on rates and Hydro’s

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return under the scenarios presented.

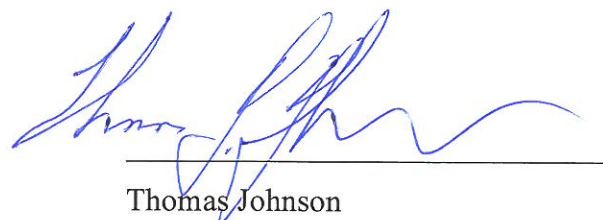
CA-NLH-24

(Re: Response to CA-NLH-16) Please update the response to CA-NLH-16 in light of the current schedule for the 100 MW combustion turbine project. Specifically, has Hydro changed its opinion of what is needed for black start at Holyrood following the outage events of January 2014?

CA-NLH-25

(Re: Page 3 of Hydro’s November 2013 report entitled Proposal to Provide Blackstart Capability to Holyrood Thermal Generating Station) It is stated “*On January 11, 2013 the Holyrood plant experienced a loss of supply from the grid due to a severe winter blizzard which caused the high voltage equipment in the Holyrood switchyard to experience electrical faults and the lockout of the Holyrood switch yard equipment. This resulted in the complete shutdown of the Holyrood generating units at 06:48*”. How many times has an extensive outage such as this occurred at Holyrood? What is the probability of such an event occurring in any upcoming winter period?

Dated at St. John’s in the Province of Newfoundland and Labrador, this 2<sup>nd</sup> day of June, 2014.



Thomas Johnson

Consumer Advocate

323 Duckworth Street

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