



NEWFOUNDLAND AND LABRADOR  
**BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**  
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2014-01-15

Mr. Geoffrey Young  
Newfoundland and Labrador Hydro  
P.O. Box 12400  
St. John's, NL A1B 4K7

Dear Sir:

**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 – Requests for Information**

Enclosed are Information Requests PUB-NLH-1 to PUB-NLH-7 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, [jgylmn@pub.nl.ca](mailto:jgylmn@pub.nl.ca) or telephone, (709) 726-6781.

Yours truly,

Cheryl Blundon  
Board Secretary

/bds  
Encl.

cc. **Newfoundland Power Inc.**  
Mr. Gerard Hayes, E-mail: [ghayes@newfoundlandpower.com](mailto:ghayes@newfoundlandpower.com)  
**Consumer Advocates**  
Mr. Thomas Johnson, E-mail: [tjohnson@odeacarle.ca](mailto:tjohnson@odeacarle.ca)  
Ms. Colleen Lacey, E-mail: [clacey@odeacarle.ca](mailto:clacey@odeacarle.ca)  
**Island Industrial Group**  
Mr. Paul Coxworthy, E-mail: [pcoxworthy@stewartmckelvey.com](mailto:pcoxworthy@stewartmckelvey.com)  
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**Vale Newfoundland and Labrador Limited**  
Mr. Tom O'Reilly, E-mail: [toreilly@coxandpalmer.com](mailto:toreilly@coxandpalmer.com)  
Mr. Mark Sheppard, E-mail: [Mark.Sheppard@vale.com](mailto:Mark.Sheppard@vale.com)

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 capital expenditures and for deferral of lease costs  
10 associated with the installation of diesel units at the  
11 Holyrood Thermal Generating Station for the purpose  
12 of black start, pursuant to sections 41, 49, 78 and 80  
13 of the *Act*.

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**PUBLIC UTILITIES BOARD  
REQUESTS FOR INFORMATION**

**PUB-NLH-1 to PUB-NLH-7**


**Issued: January 15, 2014**

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- 1 **PUB-NLH-1** Page 3, paragraph 6 of Newfoundland and Labrador Hydro's Application  
 2 states that:  
 3  
 4 *"During 2012, Hydro assessed the option for location of the new*  
 5 *50 MW combustion turbine and concluded that the least cost*  
 6 *option was to locate the combustion turbine at Holyrood. This*  
 7 *decision involved a number of factors, one of which was the unit*  
 8 *would be able to provide black start capability to Holyrood."*  
 9
- 10 Provide a copy of the analysis and assessment, undertaken in 2012, that  
 11 showed that the least cost option was to locate the combustion turbine at  
 12 the Holyrood Thermal Generating Station.  
 13
- 14 **PUB-NLH-2** Provide a timeline, supported by documentation, showing the decisions  
 15 that were taken regarding the timing of the purchase of the new  
 16 combustion turbine at the Holyrood Thermal Generating Station.  
 17
- 18 **PUB-NLH-3** At what point in the planning and for what reasons did Newfoundland and  
 19 Labrador Hydro change the size of the new combustion turbine to be  
 20 installed in the 2015/2016 timeframe from 50 MW (page 3, paragraph 6 of  
 21 the Application) to 60 MW (page 4, paragraph 8 of the Application)?  
 22
- 23 **PUB-NLH-4** Provide a comparison of the cost benefit analysis of the purchase of the  
 24 combustion turbine at the Holyrood Thermal Generating Station, using the  
 25 earliest possible date proposed in the 2012 decision to undertake this  
 26 project, with any subsequent cost benefit analyses that were undertaken as  
 27 the installation date was moved out to the in-service date of late 2015.  
 28
- 29 **PUB-NLH-5** Provide a comparison of any cost benefit analyses of the purchase of the  
 30 combustion turbine at the Holyrood Thermal Generating Station in 2012 to  
 31 any forecast costing of the installation of a combustion turbine in the  
 32 2015/2016 timeframe, including in the comparison the cost of the planned  
 33 lease of the 16 MW diesel unit and its related capital costs. Include in the  
 34 comparison the dates at which these forecasts were prepared.  
 35
- 36 **PUB-NLH-6** What costs to the system, if any, have been documented by Newfoundland  
 37 and Labrador Hydro as being directly or indirectly attributable to the lack  
 38 of black start at the Holyrood Thermal Generating Station since 2011?  
 39
- 40 **PUB-NLH-7** Has Newfoundland and Labrador Hydro undertaken any cost benefit  
 41 analyses of the replacement of black start at the Holyrood Thermal  
 42 Generating Station that have included any direct or indirect costs to the  
 43 system that can be attributed to the lack of black start at the Holyrood  
 44 Thermal Generating Station since 2011? If so, provide copies of these  
 45 analyses.

**DATED** at St. John's, Newfoundland this 15<sup>th</sup> day of January 2014.

**BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

Per   
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Cheryl Blundon  
Board Secretary