

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

2015-06-03

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Towns of Labrador City, Wabush, Happy Valley-Goose Bay and North West River

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Process and Schedule

Dear Sirs/Madams:

Re:

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Newfoundland and Labrador Hydro -2015 Interim Rates Compliance Application -

The Board is in receipt of Hydro's 2015 Interim Rates Compliance Application (the "Application"), which was circulated to the parties on May 27, 2015, as well as supplemental information filed by Hydro with the Board and circulated to the parties on June 2, 2015.

The Board notes that the Application does not comply with Order No. P.U. 14(2015). The Board requires that Hydro amend and re-file the Application, by noon on Friday June 5, 2015, to fix the following deficiencies:

- 1. The evidence to support the fuel price projection of April 21, 2015 and noted in paragraph 15(a), page 5 of the Application has not been filed with the Board as part of the record for this Application. This information must be filed with the Board and circulated to all the parties to this Application.
- 2. The Board states on page 16 of Order No. P.U. 14(2015) that "The Board agrees with the Industrial Customer Group that changes to the specifically assigned charges for the Island Industrial Customers should not be addressed in advance of the general rate application." The Board did approve a 10% base rate increase for Island Industrial customers which should not be applied to any other rate components such as the specifically assigned charges or RSP adjustments. It is an approved base rate increase only and not a 10% increase in revenue from the Island Industrial customers.
- 3. The Board also states on page 17 of Order No. P.U. 14(2015) that "The Board will approve, effective July 1, 2015, ... (iv) changes to the RSP rules to allow a transfer from the IC RSP Surplus and to implement an IC RSP rate so that there is an effective interim increase of 2.7% in Island Industrial customer rate, including Teck,". The omission of a separate RSP adjustment for Teck Resources as contained in the Application has not been approved by the Board.
- 4. The Board did not approve a 2015 revenue deficiency deferral account in Order No. P.U. 14(2015). The Board will require a separate application from Hydro on this proposal.

The schedule for the hearing of the Application, with the required amendments, will be as follows:

Date

Filing

Wednesday, June 10, 2015 Friday, June 12, 2015 Comments from the Parties

Reply from Hydro

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

/cpj

Newfoundland & Labrador Hydro

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