

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

3
4 **IN THE MATTER OF** capital expenditures
5 and rate base of Newfoundland Power Inc.; and

6
7 **IN THE MATTER OF** an application by
8 Newfoundland Power Inc. for an order pursuant
9 to Sections 41 and 78 of the Act:

- 10 (a) approving a 2014 Capital Budget of \$84,462,000; and
11 (b) fixing and determining a 2012 rate base of \$883,045,000

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NP-1 to PUB-NP-6

Issued: July 23, 2013

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2 **Hydro Plant Production Increase (Other) - \$1,665,000**

3 **Combined normal annual production of both plants is approximately 39.0 gWh or**
 4 **approximately 9% of the total hydroelectric production of Newfoundland Power Inc.**
 5 **Increasing the capacity of La Manche Canal in the Tors Cove/Rocky Pond hydroelectric**
 6 **development (two plants, Tors Cove and Rocky Pond) will increase production by 5.54**
 7 **gWh at a cost of 2.19¢ per kWh.**

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11 **Heart's Content Plant Refurbishment (Pooled, Multi-year) - \$5,735,000**

12 **Normal annual production at Heart's Content is 8.3 gWh or 1.9% of the total hydroelectric**
 13 **production of Newfoundland Power Inc. Levelized cost of energy from the Heart's Content**
 14 **plant over the next 50 years, including projected capital and operating expenditures, is**
 15 **estimated to be 6.27¢ per kWh.**

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17 **PUB-NP-1** In view of the Muskrat Falls Hydroelectric Project please calculate the cost of
 18 energy if the recovery period is five years, to 2018, and eight years, to 2021.

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20 **PUB-NP-2** In view of the Muskrat Falls Hydroelectric Project, please explain how the
 21 planned increase in production at La Manche Canal, and/or the other two projects
 22 planned for the period from 2014-2018, will benefit consumers of electricity on
 23 the island of Newfoundland from a reliability or other non-financial perspective.

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25 **PUB-NP-3** In the calculation of the levelized cost of energy please provide a description of
 26 the source of the information in each column in the table in the Attachments and
 27 how each is used to arrive at the levelized cost of energy.

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31 **Application Enhancements (Pooled) - \$1,372,000**

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33 **PUB-NP-4** In updating Newfoundland Power's 20-year-old spreadsheet system for financial
 34 forecasting, at a cost of \$183,000, Newfoundland Power, in its justification, has
 35 stated that "*The Company has identified 2014 as an appropriate time for this*
 36 *transition.*" Please explain why it is appropriate to make this change at this time.

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40 **Allowance for Unforeseen Items (Other) - \$750,000**

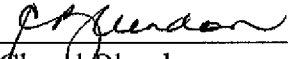
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42 **PUB-NP-5** Please provide the amount of funds used from the Allowance for Unforeseen
 43 Items for each year over the ten-year period from 2003 to 2012 setting out the
 44 number of applications for approval of an additional amount in each year.

- 1 **PUB-NP-6** Does Newfoundland Power believe that the Allowance for Unforeseen Items
- 2 should be increased to more accurately reflect current requirements and to reduce
- 3 the number of supplementary applications.

DATED at St. John's, Newfoundland this 23rd day of July, 2013.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per 

Cheryl Blundon
Board Secretary