

IN THE MATTER OF the *Public Utilities Act*
(the “Act”): and

IN THE MATTER OF an Application by
Newfoundland and Labrador Hydro for an
Order approving (1) its 2012 Capital Budget
pursuant to s. 41(1) of the Act; (2) its 2012
capital purchases and construction projects
in excess of \$50,000.00 pursuant to s.
41(3)(a) of the Act; (3) its leases in excess
of \$5,000.00 pursuant to s. 41(3)(b) of the
Act; and (4) its estimated contributions in
aid of construction for 2012 pursuant to s.
41(5) of the Act and for an Order pursuant
to s. 78 of the Act fixing and determining its
average rate base for 2010

REQUESTS FOR INFORMATION OF THE ISLAND INDUSTRIAL CUSTOMERS
(Phase III – Upgrade Transmission Line Corridor – Bay D’Espoir to Western
Avalon (the “Project”))

P3-IC-NLH-1 With reference to page 2 of the report filed in support of this Project
(the “Project Report”), Hydro states that “In effect, the proposed
project must be appropriate to either an Isolated Island or a
Labrador-Interconnected future.”

(a) Has Hydro ever considered an upgrade of the Bay D’Espoir
East 230 kV transmission system, either alone or as part of a
wider upgrade of Hydro’s Island transmission system, in an
Isolated Island context only? If the answer to the foregoing
question is “yes”, provide complete copies of all reports and
other documentation of that consideration.

(b) If Hydro was only planning for an Isolated Island future, are
there any components of this Project (in 2012 or future
years) which would change? If the answer to the foregoing
question is “yes”, provide details of those changes, including
the change in the proposed Project capital expenditure (for
2012 and future years) which would arise from those
changes.

(c) If Hydro was only planning for an Isolated Island future,
would there be other alternatives to this Project that would
be considered? If the answer to the foregoing question is
“yes”, provide details of those alternatives, including the

1 respective estimated capital expenditure for those
2 alternatives.

3 **P3-IC-NLH-2**

What would be the consequences of the Board delaying approval of the Project until June 2012, given that per page 41 of the Project Report, the Project Schedule only calls for Insulator Testing (Start Date Apr. 2012), Planning for determining Outage Schedule (Start Date Jan. 2012), Preliminary Design/Structure Layouts (Start Date Apr. 2012) and Tendering and Award (Start Date Apr. 2012) to commence before June 2012?

10 **P3-IC-NLH-3**

With reference to P3-IC-NLH-2, does Hydro still expect the Project components outlined in the Project Schedule to start in 2012 to commence on the scheduled Start Dates and be completed at the scheduled End Dates? If not, file a revised Project Schedule, including changes in schedule for 2012 and any consequent changes in schedule for future years, and answer P3-IC-NLH-2 in the context of those new scheduled dates.

17 **P3-IC-NLH-4**

With reference to pages 17-18 of the Project Report, Hydro states: "No additional generation would be installed east of Bay d'Espoir in a continued Isolated Island scenario until the 2022 timeframe when a 170 MW combined-cycle combustion turbine (CCCT) would be installed on the Avalon Peninsula."

(a) In an Island Isolated scenario, would Hydro first proceed with development of one or more of the three least cost hydroelectric sources identified at page 17 of the Project Report, or with the 170 MW CCCT on the Avalon Peninsula? Provide Hydro's detailed rationale for the order in which it would proceed, in accordance with the answer to the foregoing question, with these projects.

(b) What would be the estimated time period necessary (measured in months), from application to the Board in the fall of 2012 to completion, to complete a 170 MW CCCT installation and bring it on line on the Avalon Peninsula? What would be the estimated cost of such a project, if initiated by an application to the Board in the fall of 2012. If in Hydro's view it cannot provide a current estimated time and cost for such project as requested, then provide the most recent estimate of time and cost to complete such a project or substantially similar project, prepared by or for Hydro.

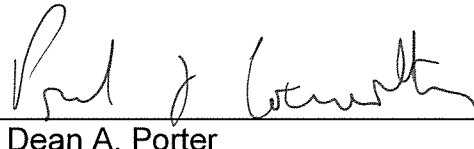
(c) What would be the estimated time period necessary (measured in months), from application to the Board in the

- 1 fall of 2012 to completion, to complete the three least cost
 2 hydroelectric sources identified at page 17 of the Project
 3 Report. What would be the estimated cost of such a project,
 4 if initiated by an application to the Board in the fall of 2012. If
 5 in Hydro's view it cannot provide a current estimated time
 6 and cost for such project as requested, then provide the
 7 most recent estimate of time and cost to complete such a
 8 project or substantially similar project, prepared by or for
 9 Hydro.
- 10 **P3-IC-NLH-5** Reconcile the 833 MW "peak load" for 2010 shown in Table 1 at
 11 page 2 of the Project Report with the 834 MW "forecasted load" for
 12 2009-2010 and 872 MW "forecasted load" shown in Table 6 at page
 13 17 of the Project Report.
- 14 **P3-IC-NLH-6** With reference to page 18 of the Project Report, provide the capital
 15 expenditure cost for each of the eight (8) alternatives to the Project.
- 16 **P3-IC-NLH-7** With reference to Table 7 at page 37 of the Project Report, is there
 17 a margin of error or other statistical reliability or probability measure
 18 associated with the Peak Load Forecast? If so, provide that margin
 19 of error or other measure for each forecasted year.
- 20 **P3-IC-NLH-8** If the Project, as presently scheduled, will not be commissioned
 21 until November 2016, how will Hydro deal with forecast peak loads
 22 leading up to that time?
- 23 **P3-IC-NLH-9** With reference to page 37, section 4.7 of the Project Report,
 24 quantify, in estimated dollars and estimated reduced fuel
 25 consumption, and over what period of years, the improved
 26 efficiency in the operation of generators at Holyrood which Hydro
 27 projects if this Project is completed.
- 28 **P3-IC-NLH-10** With reference to page 18 of the Project Report, prepare a
 29 probabilistic forecast of outage statistics (frequency and
 30 %unavailability), for each of the eight (8) alternatives to the Project,
 31 for each year of the period 2011 to 2022.
- 32 **P3-IC-NLH-11** With reference to page 12, Table 5 of the Project Report, are the
 33 "Unavailability" statistics actually expressed as percentages, ie is it
 34 intended to read, for example, 0.0176% or 1.76%?
- 35 **P3-IC-NLH-12** With reference to page 12, Table 5 of the Project Report, provide
 36 the backup calculations for the frequency and unavailability
 37 statistics for each line.
- 38 **P3-IC-NLH-13** With reference to page 32 of the Project Report, and the scenario
 39 outlined in the last paragraph of that page, what is Hydro's analysis

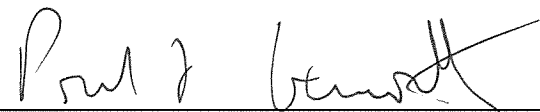
- 1 of how often the system will be within 35 MW of peak load, so as to
2 require the import of more than 440 MW from the Maritimes
3 following the loss of HVdc link from Labrador? Would it be a lower
4 cost alternative to address those circumstances with 40 MW of
5 thermal generation on the Avalon?
- 6 **P3-IC-NLH-14** Detail all generation source changes, assumed between Figure 5
7 (no infeed) and Figure 15 (infeed), including the MW generation
8 availability removed from the system in Figure 15. Are all of these
9 changes due to projected decommissioning of generation facilities
10 or will some facilities be kept on operational stand-by?
- 11 **P3-IC-NLH-15** Is it intended by Hydro that all of the projected and estimated \$200
12 million cost of this Project be included in Hydro's regulated rate
13 base?

DATED at St. John's, this 17th day of October, 2011.

POOLE ALTHOUSE

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