



August 12, 2013

Board of Commissioners
of Public Utilities
P.O. Box 21040
120 Torbay Road
St. John's, NL A1A 5B2

Attention: G. Cheryl Blundon, Director of Corporate Services and Board Secretary

Ladies and Gentlemen:

Re: An Application by Newfoundland and Labrador Hydro pursuant to Section 70(1) and 76 of the Act for approval of the rate Stabilization Plan rules and components of the rates to be charged to Industrial Customers.

Please find enclosed the original and twelve (12) copies of the Consumer Advocate's Requests for Information CA-NLH-1 to CA-NLH-10.

For convenience the Requests for Information are provided on three-hole punched paper.

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

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

Yours very truly,

O'DEA, EARLE



THOMAS JOHNSON

TJ/cel
Encl.



cc: Newfoundland Power Inc.
Attention: Mr. Liam O'Brien and Mr. Gerard Hayes

Newfoundland and Labrador Hydro
Attention: Mr. Geoffrey Young

Stewart McKelvey
Attention: Mr. Paul Coxworthy and Mr. Greg Moores

Vale Newfoundland & Labrador Limited
Attention: Mr. Mark Sheppard

Poole Althouse
Attention: Mr. Dean A. Porter

Praxair Canada Inc.
Attention: Ms. Sheryl Nisenbaum

IN THE MATTER OF

the *Electrical Power Control Act*, RSNL 1994,
Chapter E-5.1 (the "*EPCA*") and the
Public Utilities Act, RSNL 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 Sections 70 (1)
and 76 of the Act, of the Rate Stabilization Plan
rules and components of the rates to be charged
to Industrial Customers.

**CONSUMER ADVOCATE
REQUESTS FOR INFORMATION
CA-NLH-1 to CA-NLH-10**

Issued: August 12, 2013

1
2 CA-NLH-1 Please provide a list of all aspects of this Application for which
3 Hydro is seeking approval and identify which aspects have been
4 the subject of Government directives including the source.
5
6 CA-NLH-2 Please confirm that the RSP design and Industrial Customer rate
7 design will be reviewed and approved as part of the GRA
8 proceeding.
9
10 CA-NLH-3 (Schedule B, Section E) Please confirm that the historical RSP
11 balances have been depleted and that this clause is no longer
12 necessary.
13
14 CA-NLH-4 (RSP Evidence, page 1, lines 22-23) What is the amount of the
15 shortfall being projected by Hydro with regard to the IC rate
16 phase-in? Please provide an accounting of the \$49 million transfer
17 to the ICs from the RSP balance by filing a table showing the
18 amount being used to pay off the IC balance in the RSP and the
19 amount used to subsidize IC rates in the 3-year phase-in period.
20 Show for each year from September 1, 2013 through August 31,
21 2016 Hydro's projected revenues from the phase-in rates (in total
22 dollars and on an average \$/kWh basis) for each Industrial
23 Customer compared to the base IC rates proposed by Hydro in this
24 Application.
25
26 CA-NLH-5 (RSP Evidence, page 1, lines 22-23) Is it possible that a surplus
27 could arise following the IC rate phase-in, and if so, how is Hydro
28 proposing it be handled from an accounting and rates perspective?
29
30 CA-NLH-6 (RSP Evidence, pages 3 to 5) The background relating to the RSP
31 does not mention the RSP review conducted by stakeholders

1 deriving from Hydro's last GRA. Please provide the status of this
2 review, a summary of its recommendations and file a copy of the
3 report (the most recent draft report is acceptable).

4
5 CA-NLH-7

(RSP Evidence, page 6, Table 1) Provide a table comparing actual
6 revenues obtained (in total dollars and on an average \$/kWh basis)
7 to revenues that would have been generated had the RSP been
8 allowed to function as proposed in the last GRA (i.e., rates had not
9 been made interim), and with the load variation component
10 allocated on the basis of load ratio share as proposed by Hydro in
11 this Application (and in its 2006 report on the RSP). Please show
12 revenues for each year since 2007 for each Industrial Customer and
13 include NP actual revenues on a \$/kWh basis for comparison
14 purposes.

15
16 CA-NLH-8

(RSP Evidence, page 6, lines 11 to 12) Does the \$49 million figure
17 relate in any way to long-standing cost of service and rate design
18 principles used in this Province? In particular, provide a review of
19 the interim rates that have been charged ICs over the past several
20 years to determine if they meet the Province's primary rate design
21 criteria such as: 1) generating the required revenues; 2) fairness;
22 and 3) sending efficient price signals. Provide a similar review for
23 the phase-in rates proposed for ICs beginning September 1, 2013.

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25 CA-NLH-9

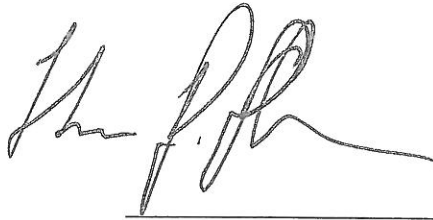
(RSP Evidence, page 8, lines 2 to 3) Has Hydro conducted a
26 review of the legal implications of the IC rate phase-in; i.e., are the
27 proposed phase-in rates consistent with Canadian and Provincial
28 trade regulations and commitments?

29
30 CA-NLH-10

(RSP Evidence, page 13, Section 5.0) What benefit is gained from
31 including this section relating to allocation of the load variation

1 component of the RSP on the basis of load ratio share if the overall
2 RSP design is to be reviewed as part of the GRA?
3
4

5 Dated at St. John's in the Province of Newfoundland and Labrador, this 12th day of
6 August, 2013.

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10 

11 Thomas Johnson

12 Consumer Advocate

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