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HAND DELIVERED

December 12, 2019

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: Newfoundland and Labrador Hydro ("Hydro") 2020 Capital Budget Application**

By correspondence dated November 25, 2019, the Board set December 11, 2019 as the deadline for written submissions from intervenors on the above-captioned application (the "Application"). The deadline was extended to today's date. These are Newfoundland Power's submissions.

In Newfoundland Power's submission, the only proposed expenditure in the Application that is not justified on the evidence is the *Purchase New Mobile Substation Bishop's Falls* project.

The Application proposes estimated 2020 capital expenditures of \$734,700 and 2021 capital expenditures of \$2,701,800 to purchase the new mobile substation. Hydro owns one mobile substation and Newfoundland Power owns four mobile substations. The two companies cooperate in optimizing use of the five units to facilitate capital and maintenance work and in providing prompt response as emergency spares for both companies.<sup>1</sup>

Hydro justifies its proposed purchase of an additional mobile substation based on a requirement "to reduce the risk of extended customer outages due to the unavailability of a mobile substation for use as an emergency spare."<sup>2</sup>

In recent years, Hydro has not experienced a single situation where a mobile substation was required in an emergency and no mobile substations were available.<sup>3</sup> This is indicative of successful cooperation between the two utilities in optimizing the availability of the existing fleet of mobile substations.

Given the foregoing, Newfoundland Power submits that there is insufficient evidence on the record of this proceeding to justify the proposed purchase of an additional mobile substation at this time.

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<sup>1</sup> Application, Volume II, Tab 9, *Purchase New Mobile Substation Bishop's Falls*, page 1.

<sup>2</sup> Application, Volume II, Tab 9, *Purchase New Mobile Substation Bishop's Falls*, page 4.

<sup>3</sup> Response to Request for Information NP-NLH-014.

**Newfoundland Power Inc.**

55 Kenmount Road • P.O. Box 8916 • St. John's, NL A1B 3P6

PHONE (709) 737-5364 • FAX (709) 737-2974 • [khopkins@newfoundlandpower.com](mailto:khopkins@newfoundlandpower.com)

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If you have any questions, please feel free to contact the undersigned at your convenience.

Yours very truly,



Kelly Hopkins  
Corporate Counsel

Enclosures

c. Shirley Walsh  
Newfoundland and Labrador Hydro

Dennis Browne, Q.C.  
Browne Fitzgerald Morgan Avis

Paul Coxworthy  
Stewart McKelvey

**Newfoundland Power Inc.**

55 Kenmount Road • P.O. Box 8910 • St. John's, NL A1B 3P6

PHONE (709) 737-5364 • FAX (709) 737-2974 • [khopkins@newfoundlandpower.com](mailto:khopkins@newfoundlandpower.com)