

WHENEVER. WHEREVER.  
We'll be there.



April 23, 2020

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 – Application for Approval to Delay the Filing of 2020 General Rate Application**

Please find enclosed Newfoundland Power's Requests for Information NP-NLH-001 to NP-NLH-005 in relation to the above noted Application.

In accordance with the Board's March 17, 2020 notice regarding the activation of its Business Continuity Plan to address the COVID-19 pandemic, these Requests for Information are provided in electronic format only.

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

Yours truly,

A handwritten signature in blue ink, appearing to read "Kelly Hopkins", with a long horizontal line extending to the right.

Kelly Hopkins  
Corporate Counsel

Enclosures

ec. Shirley A. Walsh  
Newfoundland and Labrador Hydro

Dennis Browne, QC  
Browne Fitzgerald Morgan Avis

Paul Coxworthy  
Stewart McKelvey

Senwung Luk  
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**Newfoundland Power Inc.**

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**IN THE MATTER OF** the *Electrical Power Control Act, RSNL 1994*, Chapter E-5.1 (“*EPCA*”) and the *Public Utilities Act, RSNL 1990*, Chapter P-47 (“*Act*”), and regulations thereunder

**IN THE MATTER OF** an Application by Newfoundland and Labrador Hydro (“*Hydro*”) for an Order to delay the filing of its next General Rate Application (“*GRA*”) pursuant to Sections 70, 71, and 76 of the *Act*.

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**Requests for Information by  
Newfoundland Power Inc.**

**NP-NLH-001 to NP-NLH-005**

**April 23, 2020**

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## Requests for Information

**Reference:**                   **Application, Page 1, Paragraph 3**

NP-NLH-001                   On Page 1 at Paragraph 3, Hydro States:

*“On May 7, 2019, the Board issued Order No. P.U. 16(2019) setting out its determination and decisions with respect to Hydro’s 2017 GRA (“2017 GRA Order”).”*

In Order No. P.U. 16 (2019), the Board stated:

*“Currently it is expected that 2021 will be the first full year of operation after the commissioning of Muskrat Falls. To ensure that this significant change can be addressed in a timely and orderly fashion Hydro should file its next general rate application by September 30, 2020. To the extent that circumstances change Hydro may apply to the Board to alter this filing date.”*

Please explain, in detail, the circumstances that have changed to justify an approach other than basing Hydro’s next GRA on a test year reflecting the first full year of operation after the commissioning of Muskrat Falls.

**Reference:**                   **Application, Page 3, Paragraphs 12 and 13**

NP-NLH-002                   Given the significant uncertainties cited by Hydro with respect to the commissioning of the Muskrat Falls Project, Government’s rate mitigation plan, and restructuring of the Muskrat Falls PPA, did Hydro consider deferring the determination of an appropriate test year until there is more certainty regarding the timing of filing its next GRA?

**Reference:**                   **Application, Page 4, Paragraph 16**

NP-NLH-003                   On Page 4 at Paragraph 16, Hydro states:

*“It remains probable that Hydro will incur costs in 2021 as a result of the commissioning of the Muskrat Falls Project. Therefore, although Hydro proposes to delay its GRA filing, Hydro is proposing to continue to require 2021 as a test year for use in determining the 2021 costs to be ultimately recovered from customers.”*

Please describe the costs that Hydro may incur in 2021 as a result of the commissioning of the Muskrat Falls Project.

NP-NLH-004

On Page 4 at Paragraph 16, Hydro states:

*“It remains probable that Hydro will incur costs in 2021 as a result of the commissioning of the Muskrat Falls Project. Therefore, although Hydro proposes to delay its GRA filing, Hydro is proposing to continue to require 2021 as a test year for use in determining the 2021 costs to be ultimately recovered from customers.”*

If it became clear that Hydro will not incur costs in 2021 as a result of the commissioning of the Muskrat Falls Project, would Hydro continue to require 2021 as a test year for use in determining customer rates? If so, please explain why. If not, please explain why.

NP-NLH-005

On Page 4 at Paragraph 16, Hydro states:

*“It remains probable that Hydro will incur costs in 2021 as a result of the commissioning of the Muskrat Falls Project. Therefore, although Hydro proposes to delay its GRA filing, Hydro is proposing to continue to require 2021 as a test year for use in determining the 2021 costs to be ultimately recovered from customers.”*

Has Hydro considered other regulatory mechanisms to address recovery of 2021 costs not included in current customer rates? For example, has Hydro considered the use of a deferral account for costs incurred in 2021 as a result of the commissioning of the Muskrat Falls Project?

**RESPECTFULLY SUBMITTED** at St. John’s, Newfoundland and Labrador, this 23<sup>rd</sup> day of April, 2020.



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