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We'll be there.



October 14, 2022

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


Dear Ms. Blundon:

Re: Newfoundland and Labrador Hydro – 2023 Capital Budget Application

Please find enclosed Newfoundland Power's Requests for Information NP-NLH-026 to NP-NLH-034 in relation to the above-noted Application.

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

Yours truly,



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Legal Counsel

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IN THE MATTER OF the Public Utilities Act,
RSNL 1990, c P-47 ("Act"); and

IN THE MATTER OF an application by
Newfoundland and Labrador Hydro ("Hydro")
for approval of: (i) its capital budget for 2023,
pursuant to Section 41(1) of the Act, (ii) its
proposed capital purchases and construction
projects for 2023 in excess of \$50,000,
pursuant to Section 41(3)(a) of the Act, and
(iii) for an Order, pursuant to Section 78 of
the Act, fixing and determining its average
rate base for 2021 ("Application").

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

NP-NLH-026 to NP-NLH-034

October 14, 2022

Requests for Information

Reference: Request for Information NP-NLH-001.

NP-NLH-026 Further to Request for Information NP-NLH-001, please expand Table 1 to include a listing of all supplemental applications submitted to the Board in each year, together with project titles and the capital expenditure included in each supplemental application. In the expanded table, also include the same information for all supplemental applications that Hydro plans to file between 2023 and 2027, including why Hydro is planning to use supplemental applications as opposed to the annual capital budget application process.

NP-NLH-027 Further to Request for Information NP-NLH-001, please confirm which of the expenditures associated with the supplemental applications shown in Table 1 for 2023 to 2027 are included in Hydro's *Five-Year Capital Plan (2023-2027)*.

Reference: Request for Information NP-NLH-002.

NP-NLH-028 Further to Request for Information NP-NLH-002, is it Hydro's intention to use future supplemental applications to address load growth in Labrador resulting in customer requests being considered through the Network Additions Policy?

Reference: Request for Information NP-NLH-010.

NP-NLH-029 Further to Request for Information NP-NLH-010, please explain the variance in unit cost for the *Refurbish and Upgrade Power Transformers Program* in each year.

Reference: Request for Information NP-NLH-019.

NP-NLH-030 Further to Request for Information NP-NLH-019, please confirm that, based on the data in Chart 1, Hydro currently has approximately 1,000 wood poles aged 50-59 years with an anticipated service life of greater than 50 years. Please confirm that these wood poles would be in service in excess of 100 years when replaced.

Reference: Request for Information NP-NLH-023.

NP-NLH-031

In its *2021 Capital Budget Application, Additions for Load – Wabush Substation Upgrade, Section 4.2 Evaluation of Alternatives*, Hydro identified and evaluated a three transformer alternative and a two transformer alternative. Hydro stated for the two transformer alternative that “the estimate for this alternative is approximately \$12.2 million and was rejected as not being the least-cost alternative.” Hydro further stated “Hydro recommends the Wabush Substation Upgrade – Three Transformer Configuration option (Alternative 1). This is the least-cost alternative which addresses transformer capacity concerns and also addresses protection and communication deficiencies within the station.”

Please provide the net present value analysis comparing the two transformer and three transformer alternatives that demonstrates that the three transformer alternative was the least-cost alternative.

NP-NLH-032

In the *2022 Capital Expenditures Overview*, page 12, Table 14, the total project cost for the *Additions for Load - Wabush Substation Upgrades* is stated to be approximately \$9.3 million. In the *2021 Capital Budget Application, Additions for Load – Wabush Substation Upgrade, Section 4.2 Evaluation of Alternatives*, page 5, Hydro states that a two transformer configuration similar to what is proposed in the *2023 Capital Budget Application* would cost approximately \$12.2 million.

Would the scope of work identified as no longer required in the *2022 Capital Expenditures Overview*, page 11, have also been excluded in the two transformer alternative identified in the *2021 Capital Budget Application*? Please reconcile the differences in these project cost estimates.

Reference: Request for Information PUB-NLH-011.

NP-NLH-033

Further to Request for Information PUB-NLH-011, please expand the table in Attachment 1 to include proposed capital expenditures required to maintain generation at the Holyrood Thermal Generating Station from 2024 to 2027 as outlined in the *Reliability and Resource Adequacy Study – 2022 Update Volume III, Long Term Resource Plan*, page 26, Table 8.

Reference: Request for Information CA-NLH-041.

NP-NLH-034

Further to Request for Information CA-NLH-041, please confirm that, based on Hydro's *2016 Depreciation Study* filed with the *2017 General Rate Application*, the average service life for wood poles is 43 years. Based on Hydro's experience with the wood pole line management program extending the useful life of transmission lines by more than 15 years, will the depreciation expense related to transmission lines be decreased accordingly in Hydro's next general rate application?

RESPECTFULLY SUBMITTED at St. John's, Newfoundland and Labrador, this 14th day of October, 2022.



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