



NEWFOUNDLAND AND LABRADOR

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

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2023-09-26

Dominic Foley
Newfoundland Power Inc.
Legal Counsel
P.O. Box 8910
55 Kenmount Road
St. John's, NL A1B 3P6

Dear Sir:

**Re: Newfoundland Power Inc. - 2024 Capital Budget Application - Requests for Information
PUB-NP-052 to PUB-NP-058**

Enclosed are Requests for Information PUB-NP-052 to PUB-NP-058 regarding the above-noted application.

If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Jacqui Glynn, by email, jglynn@pub.nl.ca or telephone (709) 726-6781.

Sincerely,


Cheryl Blundon
Board Secretary

CB/cj

ecc **Newfoundland Power Inc.**
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1 **IN THE MATTER OF** the **Public**
2 **Utilities Act**, (the "**Act**"); and
3
4 **IN THE MATTER OF** capital expenditures
5 and rate base of Newfoundland Power Inc.;
6 and
7
8 **IN THE MATTER OF** an application by
9 Newfoundland Power Inc. for an order
10 pursuant to sections 41 and 78 of the **Act**:
11 (a) approving its 2024 Capital Budget; and
12 (b) fixing and determining its 2022 rate base.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NP-052 to PUB-NP-058

Issued: September 26, 2023

- 1 **PUB-NP-052** PUB-NP-007. In deciding to defer the four capital projects from 2024 for further
2 engineering assessment as explained in this response, how did Newfoundland
3 Power determine that each project was not critical and necessary to be done in
4 2024 as originally planned and what the impact of delay would be for each
5 project? In the response explain how Newfoundland Power takes the impact of
6 delay and the necessity and criticality of the work into account in deciding to defer
7 a project.
8
- 9 **PUB-NP-053** PUB-NP-013. This response states in lines 30-31 on page 1 that the Memorial
10 Substation is “integral to the Company’s 66 kV transmission network serving the
11 St. John’s Region” and further at page 2, lines 1-2 that the substation is ‘necessary
12 to provide reliable service to customers throughout St. John’s Region’. Please
13 explain how customers in St. John’s Region, other than Memorial University, are
14 served from and derive benefit from the Memorial Substation because it is part of
15 the 66kV transmission network in the Region. In the response explain whether
16 customers in St. John’s Region can still be served if transmission lines 12L and 14L
17 which connect the Memorial Substation to Kings Bridge Road Substation and
18 Stamp’s Lane Substation, respectively, are out of service.
19
- 20 **PUB-NP-054** PUB-NP-016, Attachment A. It is stated that the current state assessment of
21 Newfoundland Power’s asset management identified twenty-two opportunities to
22 be assessed as part of the ongoing asset management review. The schedule on
23 page 27 indicates that the assessment started in October, 2022 and was scheduled
24 to take eighteen months with recommendations anticipated in the first quarter of
25 2024. Please provide an update on this review, including whether the review is
26 proceeding as indicated in the schedule.
27
- 28 **PUB-NP-055** PUB-NP-017. It is stated that the asset management review is a long-term initiative
29 with the framework for the review completed in 2022 and the results expected to
30 be available in 2024. Implementation of any recommendations is said to depend
31 on the identified recommendations and may require a phased approach over
32 several years. Please explain the process and schedule Newfoundland Power
33 anticipates will be required to implement the recommendations, including
34 whether it is anticipated that any regulatory approvals will be required to
35 implement all or any of the recommendations and whether the finalization of the
36 Capital Budget Application Guidelines (Provisional) will be a consideration in the
37 implementation of the recommendations.
38
- 39 **PUB-NP-056** NLH-NP-026. Newfoundland Power stated that it attempted to perform
40 maintenance on the two Old Perlican Substation switches in May 2020 but was
41 unable to as the switches were inoperable.
42 a) Why weren’t the switches repaired/replaced at that time?
43 b) What factors have changed since May 2020 that have prompted
44 Newfoundland Power to decide that now is the appropriate time to replace
45 them?

- 1 **PUB-NP-057** CA-NP-016 and CA-NP-053. Please explain how Newfoundland Power’s current
2 customer engagement initiatives gauge customer opinions on the balance
3 between reliable service and the costs of providing such service and whether
4 Newfoundland Power plans on undertaking any customer engagement initiatives
5 to specifically address the issues of reliability, costs and the value customers place
6 on the balance of costs and reliability.
7
- 8 **PUB-NP-058** CA-NP-059. The 2024 Capital Budget Overview on page 13 states that
9 “Newfoundland Power’s investment in T&D assets has increased at a rate
10 consistent with the average of other Atlantic Canadian utilities over the 10-year
11 period ending in 2021”. Table 1 in the response to the RFI shows the Capital
12 Investment per Customer for Newfoundland Power is approximately 12.7% higher
13 than the Atlantic Canadian Utilities in 2021. Please explain why Newfoundland
14 Power’s Capital Investment per Customer is higher than the other Atlantic
15 Canadian Utilities.

DATED at St. John’s, Newfoundland this 26th day of September 2023.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per


Cheryl Blundon
Board Secretary