

1 **Q. (Reference Application and Board Order P.U. 14(2023)) In Order No. P.U.**
 2 **14(2023) (page 4), it is stated “The Board notes that General Service**
 3 **customers are supplied through a single supply point which is included in**
 4 **Newfoundland Power’s cost of service and funded by all ratepayers.”**

5 **a) Does NP agree with this statement? Please elaborate.**

6 **b) Are the supply points of all General Service customers the same?**
 7 **Specifically, are all supply points to General Service customers expected to**
 8 **provide comparable levels of reliability? Are any of these supply points**
 9 **shared with other customers?**

10 **c) Please provide reliability statistics for the supply points of each General**
 11 **Service Rate 2.4 customer.**

12
 13 A. a) As referenced, the Board reviewed and approved Newfoundland Power’s application
 14 for supplemental expenditures associated with the replacement of the MUN-T2
 15 transformer in Order No. P.U. 14 (2023). All evidence supporting the Application is
 16 available on the Board’s website. Newfoundland Power considers the provision of
 17 additional evidence in support of the Application and specific interpretations of the
 18 Board’s Order to be outside the scope of its *2024 Capital Budget Application*.

19
 20 In response to the Consumer Advocate’s request for the Board to re-hear the
 21 MUN-T2 application, the Board stated:

22
 23 *The Board is satisfied that the treatment of the MUN-T2 transformer*
 24 *replacement at Memorial Substation is consistent with Newfoundland*
 25 *Power’s approved cost of service and longstanding regulatory principles*
 26 *and is in no way unfair or discriminatory.¹*

27
 28 Newfoundland Power agrees with the Board’s decision on the matter.

29
 30 b) The partial quote provided in this Request for Information is reproduced below in its
 31 full context.

32
 33 *The Board notes that General Service customers are supplied through a*
 34 *single supply point which is included in Newfoundland Power’s cost of*
 35 *service and funded by all ratepayers. If a customer wants a second*
 36 *supply point, it is provided at the customer’s expense as a special facility*
 37 *under Newfoundland Power’s Schedule of Rates, Rules & Regulations or*
 38 *through a Contribution in Aid of Construction. The evidence demonstrates*
 39 *that the Memorial Substation is the primary supply point to the University*
 40 *while the Long Pond Substation is a redundant supply point which was*
 41 *fully funded on behalf of the customer as a special facility. When the*
 42 *Long Pond Substation was approved as a special facility for the University*
 43 *in 2019 the approved capital expenditures of \$4,600,000 were fully*
 44 *funded by Government and not recovered from other ratepayers.*

¹ See the Board’s letter *Re: Newfoundland Power Inc. – 2023 Capital Budget Supplemental Application – Approval for the Purchase and Installation of a Replacement Power Transformer for Memorial Substation – Response to Consumer Advocate’s Request for Re-hearing the Application*, July 7, 2023, page 2.

1 Service is provided to General Service customers in various configurations
 2 throughout Newfoundland Power's service territory. Service reliability for all of
 3 Newfoundland Power's customers at their particular supply point is dependent on a
 4 number of factors including: (i) weather conditions in one service location versus
 5 another²; (ii) the configuration of the transmission system supplying the customer³;
 6 (iii) the length of the distribution line serving the customer and the location of the
 7 customer on the distribution line⁴; and (iv) the age and condition of the equipment
 8 delivering service to the customer.⁵

9
 10 The supply point of any Newfoundland Power customer is considered the point at
 11 which the customer is metered.⁶ While multiple customers may receive service from
 12 the same substation, transmission line, distribution feeder, or other infrastructure,
 13 Newfoundland Power customers do not share a supply point.

14
 15 c) See the response to part b) above.

² Weather conditions in one part of Newfoundland Power's service territory, such as coastal locations prone to high winds and ice accumulation, can be more severe than weather conditions in another part of Newfoundland Power's service territory, such as interior locations that are more sheltered.

³ Due to the nature of Newfoundland Power's service territory, some of the Company's customers are served by looped transmission systems that provide more than one path of transmission supply while other customers are served by radial transmission lines that have only one source of transmission supply.

⁴ Customers that are served at the tail end of a distribution feeder are more likely to experience an outage than customers at the beginning of a distribution feeder. This is because a fault can occur anywhere along a distribution feeder and cause a customer outage. In responding to the outage, Newfoundland Power is often able to sectionalize the feeder and restore power to customers ahead of the fault while customers served beyond the fault may have to wait until Newfoundland Power makes the necessary repairs.

⁵ The reliability experienced by customers is generally a reflection of the age and condition of the electrical system serving the customer. A customer served by older or deteriorated infrastructure may be more likely to experience an outage than a customer served by a newly constructed distribution feeder. Newfoundland Power's *Distribution Reliability Initiative* project targets the replacement of deteriorated poles, conductors and hardware on the worst performing feeders on Newfoundland Power's distribution system to improve reliability for customers served by those feeders. See Newfoundland Power's 2024 *Capital Budget Application*, report *1.1 Distribution Reliability Initiative*.

⁶ See Newfoundland Power's *Schedule of Rates, Rules & Regulations*, Effective July 1, 2023, *Regulation 5 – Service Standards – Metered Services* and *Regulation 9 - Charges*.