



NEWFOUNDLAND AND LABRADOR

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

E-mail: shirleywalsh@nlh.nl.ca

2024-02-20

Ms. Shirley Walsh
Senior Legal Counsel, Regulatory
Newfoundland and Labrador Hydro
P.O. Box 12400
Hydro Place, Columbus Drive
St. John's, NL A1B 4K7

Dear Ms. Walsh:

**Re: Newfoundland Power Inc. - 2025-2026 General Rate Application –
To NLH - Requests for Information**

Enclosed are Requests for Information PUB-NLH-011 to PUB-NLH-013 regarding the above-noted application.

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

Sincerely,

Jo-Anne Galarneau
Executive Director and Board Secretary

JAG/cj

ecc Newfoundland Power Inc.

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1 **IN THE MATTER OF** the **Public**
2 **Utilities Act**, (the “**Act**”); and
3
4
5 **IN THE MATTER OF** a general rate
6 application by Newfoundland Power Inc.
7 to establish customer electricity rates for
8 2025 and 2026.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NLH-011 to PUB-NLH-013

Issued: March 20, 2024

- 1 **PUB-NLH-011** Further to the response to PUB-NLH-001:
 2 a) Please present a timeline for when the Board can expect a wholesale rate
 3 structure filing from Hydro.
 4 b) Please explain why it would be appropriate for a revised wholesale rate
 5 to be implemented on an interim basis in Hydro's next general rate
 6 application.
 7
- 8 **PUB-NLH-012** Further to the response to PUB-NLH-003, please confirm that the amount of
 9 change in revenue requirement due to a change in return on equity of
 10 Newfoundland Power is linear (e.g., the revenue requirement change for a 1%
 11 change in return on equity equals 2 times the change in revenue requirement
 12 for a 0.5% change in return on equity).
 13
- 14 **PUB-NLH-013** Further to the response to PUB-NP-084:
 15 a) Please confirm that if Newfoundland Power's purchases exceed Hydro's
 16 most recent test year purchases forecast, the additional revenue to
 17 Hydro from Newfoundland Power is credited to the load variation
 18 component of the Supply Cost Variance Deferral Account.
 19 b) Would it be reasonable to modify the RSP and the Supply Cost Variance
 20 Deferral Account so that the change in load variation revenues would be
 21 dealt with through the RSP to offset Newfoundland Power's charges to
 22 its RSA due to increased purchased power expense? In the response,
 23 please include a discussion of the implications on the industrial customer
 24 load variation balance and how such an approach could work.
 25 c) Does Hydro agree that the Island Industrial customers should be a party
 26 to any application to modify (i) the Supply Cost Variance Deferral
 27 Accounts: (ii) the RSP and (iii) a new Wholesale Rate of Newfoundland
 28 Power?
 29 d) Is the RSP expected to fully transition to some form of the Supply Cost
 30 Variance Deferral Account upon the conclusion of the next general rate
 31 application? Would it be more practical to make no changes to Hydro's
 32 existing deferral accounts until that transition is dealt with in the next
 33 general rate application?

DATED at St. John's, Newfoundland this 20th day of March, 2024.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per



Jo-Anne Galarneau
Board Secretary