

1 **Q. (Reference CA-NP-156)**

- 2 a) CA-NP-054 (part c) asks “*Specifically, identify all costs relating to the Memorial*
 3 *and Long Pond Substations including the transmission lines that feed these*
 4 *substations that are included in the 2025 and 2026 Test Years and indicate how*
 5 *much of each cost is allocated to Memorial University, Rate 2.4 customers, all*
 6 *General Service customer classes, and all customers served by Newfoundland*
 7 *Power.*” This question does not relate only to the \$6 million expenditure. Please
 8 respond to the question and provide a breakdown by cost component.
- 9 b) Does the Long Pond Substation form part of the 66kV transmission system? Is
 10 the Long Pond Substation categorized as common or radial, and why?
- 11 c) Does the Long Pond Substation include circuit breakers, instrumentation
 12 devices, disconnect switches and grounding equipment that ensure the safe and
 13 reliable operation of the 66kV transmission system? Is this in fact a requirement
 14 of all equipment connected to the transmission system?
- 15 d) How are the costs of the Long Pond Substation allocated to customers in the cost
 16 of service study?

- 17
- 18 A. a) The response to Request for Information CA-NP-156 provides a *pro forma* analysis
 19 of the impact on customer rate classes associated with approximately \$6 million in
 20 capital expenditures related to equipment at Memorial (“MUN”) Substation. The
 21 expenditures are necessary to replace failed and deteriorated equipment.¹ Costs
 22 associated with the expenditures will be recovered through customer rates and are
 23 included in the Company’s 2025 and 2026 test years.

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25 The Long Pond (“LPD”) Substation and transmission line 36L were requested by
 26 Memorial University to provide an increased level of redundancy and to increase
 27 flexibility of the University’s 12.5 kV distribution system.² It was considered by
 28 Newfoundland Power to be a request for a special facility under section 9(c) of the
 29 Company’s *Schedule of Rates, Rules, and Regulations*. The cost of the LPD
 30 Substation and transmission line 36L were therefore fully funded by the customer. As
 31 a result, there is no cost associated with the construction of the LPD substation and
 32 transmission line 36L allocated to customers in the cost of service study and included
 33 in the 2025 and 2026 test years.

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35 Memorial University is in the process of completing an electric boiler project which
 36 will be served from the LPD Substation. Latest indications are that the project will be
 37 complete in August 2025.³ The project requires additional capacity at the LPD
 38 Substation to serve the additional load. The estimated cost of the capacity addition is
 39 approximately \$3.3 million. Newfoundland Power assessed Memorial University’s
 40 request for additional capacity in accordance with its *Contribution in Aid of*
 41 *Construction Policy* (“CIAC”). Application of the CIAC Policy determined that
 42 Memorial University would not have to pay a contribution towards the additional
 43 capacity since the additional revenue from rates that will be received from the

¹ The capital expenditures were approved by the Board in Order Nos. P.U. 14 (2023) and P.U. 2 (2024).

² See Order No. P.U. 5 (2019), page 2, lines 1-5.

³ See the response to Request for Information CA-NP-103.

- 1 University will adequately recover the cost of the capacity addition.⁴ When
2 completed, revenues and costs attributed to the electric boiler load will be allocated to
3 the General Service Rate 2.4 customer rate class in the Company’s cost of service
4 study.
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- 6 b) The LPD Substation is a 66kV – 12.5kV substation that provides service to Memorial
7 University. It is supplied by radial 66 kV transmission line 36L which originates at
8 Newfoundland Power’s Oxen Pond (“OXP”) Substation and terminates at the LPD
9 Substation on the north side of the Memorial University campus.
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- 11 c) The LPD Substation contains all of the necessary equipment to safely connect and
12 disconnect the LPD Substation from the 66kV transmission system. This is a
13 requirement of all substations connected to the transmission system.
14
- 15 d) See the response to part a).

⁴ See Order No. P.U. 5 (2023).