



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: gyoung@nlh.nl.ca

2018-04-24

Mr. Geoff Young
Senior Counsel
Newfoundland and Labrador Hydro
P.O. Box 12400
St. John's, NL A1B 4K7

Dear Mr. Young:

**Re: Newfoundland and Labrador Hydro - 2017 General Rate Application
Approval of 2018 Interim Rates - Requests for Information**

Enclosed are Information Requests PUB-NLH-155 to PUB-NLH-164 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,

Cheryl Blundon
Board Secretary

Enclosure

ecc **Newfoundland & Labrador Hydro**
Mr. Alex Templeton, E-mail: alex.templeton@mcinnescooper.com
NLH Regulatory, E-mail: NLHRegulatory@nlh.nl.ca
Newfoundland Power Inc.
Mr. Gerard Hayes, E-mail: ghayes@newfoundlandpower.com
Mr. Liam O'Brien, E-mail: lobrien@curtisdawe.nf.ca
NP Regulatory, E-mail: regulatory@newfoundlandpower.com
Consumer Advocate
Mr. Dennis Browne, Q.C., E-mail: dbrowne@bfma-law.com
Mr. Stephen Fitzgerald, E-mail: sfitzgerald@bfma-law.com
Ms. Sarah Fitzgerald, E-mail: sarahfitzgerald@bfma-law.com
Ms. Bernice Bailey, E-mail: bbailey@bfma-law.com

Island Industrial Customers Group
Mr. Paul Coxworthy, E-mail: pcoxworthy@stewartmckelvey.com
Mr. Dean Porter, E-mail: dporter@poolealthouse.ca
Mr. Denis Fleming, E-mail: dfleming@coxandpalmer.com
Iron Ore Company of Canada
Mr. Van Alexopoulos, E-mail: Van.Alexopoulos@ironore.ca
Mr. Benoit Pepin, E-mail: benoit.pepin@riotinto.com
Labrador Interconnected Group
Mr. Senwung Luk, E-mail: sluk@oktlaw.com

1 **IN THE MATTER OF**
2 the *Electrical Power Control Act, 1994*,
3 SNL 1994, Chapter E-5.1 (the “*EPCA*”)
4 and the *Public Utilities Act*, RSNL 1990,
5 Chapter P-47 (the “*Act*”), as amended; and
6

7 **IN THE MATTER OF** a General Rate
8 Application by Newfoundland and Labrador
9 Hydro to establish customer electricity rates
10 for 2018 and 2019; *and*
11

12 **IN THE MATTER OF** an application by
13 Newfoundland and Labrador Hydro to approve
14 2018 Utility Customer Interim Rates.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NLH-155 to PUB-NLH-164

Issued: April 24, 2018

- 1 **2018 Utility Customer Interim Rates Application**
2
3
- 4 **PUB-NLH-155** Page 3, lines 16-23 - In its application for interim rates for 2018 for Industrial
5 Customers approved by Order No. P.U. 7(2018) Hydro did not request a
6 change in the RSP rules to reflect a lower number of barrels of No. 6 fuel to be
7 used in the calculations of the fuel rider but now proposes to change the RSP
8 rules to allow the Board to order an alternate forecast number of barrels to be
9 used in the fuel rider calculation for both the Utility and Industrial Customers.
10 Does Hydro intend to apply for approval to adjust the interim rates approved
11 for Industrial Customers? If not, what are the implications of using a different
12 number of barrels of No. 6 fuel for the calculation of the fuel rider for 2018
13 interim Utility and Industrial Customer rates? Please explain in detail the
14 consequences for the operation of the RSP and for 2018 industrial rates.
15
- 16 **PUB-NLH-156** In the 2017 General Rate Application Hydro is proposing that customer rates
17 be based on the Deferral Account Scenario which includes forecast No. 6 fuel
18 purchases based on no off-island purchases with potential savings to be used
19 for rate mitigation in anticipation of the rate increase required for Muskrat
20 Falls. Explain how the proposal in the 2018 Interim Rates Application which
21 is to base the RSP fuel rider on the expected operation of Holyrood reflecting
22 off-island purchases is consistent with Hydro's approach in its GRA.
23
- 24 **PUB-NLH-157** Explain how Hydro's utility interim rate proposal will affect the balances in
25 the Off-Island Purchases Deferral Account for 2018 and 2019 that Hydro
26 proposes in the 2017 General Rate Application be used for rate mitigation.
27
- 28 **PUB-NLH-158** Did Hydro consider whether it would be appropriate for the RSP to operate
29 with no adjustment to the calculation of the No. 6 fuel rider with any resulting
30 balance being used to recover the Deferred Supply Costs or for future rate
31 mitigation post Muskrat Falls?
32
- 33 **PUB-NLH-159** Did Hydro consider whether it would be appropriate to apply for approval to
34 set aside any savings associated with the 2018 actual number of barrels of No.
35 6 fuel used in a deferral account to be used for recovery of the Deferred Supply
36 Costs or future rate mitigation post Muskrat Falls?
37
- 38 **PUB-NLH-160** Page 8, Table 1, Schedule 1 - Provide the RSP fuel rider calculated based on
39 the operation of the RSP with no adjustment to the 2015TY number of barrels
40 of No. 6 fuel.
41
- 42 **PUB-NLH-161** Page 9, lines 8-15 - Describe the regulatory mechanisms, such as a new
43 deferral account, that would have to be put in place to allow the recovery of
44 Deferred Supply Costs from the rates put in place for 2018 carrying forward
45 to 2019 as proposed by Hydro.

- 1 **PUB-NLH-162** Appendix B, page 3, footnote 2 - Provide the calculation for the Estimated
2 Settlement Impact for 2018 listing each issue settled and the associated
3 revenue reduction.
4
- 5 **PUB-NLH-163** Appendix B, page 5, footnote 4 - Provide the calculation for the Estimated
6 Settlement Impact for 2019 listing each issue settled and the associated
7 revenue reduction.
8
- 9 **PUB-NLH-164** Confirm whether the interim rates application proposals impact Hydro's 2017
10 General Rate Application proposals for 2018 and 2019? Will Hydro amend its
11 proposals for final rates for 2018 and 2019 rates? If yes, please explain.

DATED at St. John's, Newfoundland this 24th day of April, 2018.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per 
Cheryl Blundon
Board Secretary